

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

[Lexington, South Carolina]

HEARING # 20-11857

JANUARY 27, 2020

6:00 P.M.

DOCKET NO. 2019-290-WS:

Blue Granite Water Company - Application for Approval to Adjust
Rate Schedules and Increase Rates**TRANSCRIPT OF TESTIMONY
AND PROCEEDINGS****VOLUME 1 OF 10****HEARING BEFORE:** Comer H. 'Randy' RANDALL, *Chairman*; Florence
P. BELSER, *Interim Vice Chairman*; and COMMISSIONERS John
E. 'Butch' HOWARD, Thomas J. 'Tom' ERVIN, Swain E.
WHITFIELD, and O'Neal HAMILTONADVISOR TO COMMISSION: B. Randall Dong, Esq.
Legal Advisory Staff**STAFF:** Jocelyn Boyd, Chief Clerk/Executive Director; William O.
Richardson and John Powers, Technical Advisory Staff; Afton Ellison
and Rob Bockman, Clerk's Staff; and Jo Elizabeth M. Wheat, CVR-
CM/M-GNSC, Court Reporter**APPEARANCES:*****FRANK R. ELLERBE III, ESQUIRE, and SAMUEL J.
WELLBORN, ESQUIRE,*** representing BLUE GRANITE WATER
COMPANY, APPLICANT***CARRIE GRUBE LYBARKER, ESQUIRE, and BECKY
DOVER, ESQUIRE,*** representing the SOUTH CAROLINA
DEPARTMENT OF CONSUMER AFFAIRS, INTERVENOR***JEFFREY M. NELSON ESQUIRE, and CHRISTOPHER M.
HUBER, ESQUIRE,*** representing the SOUTH CAROLINA OFFICE
OF REGULATORY STAFF

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

<u>I N D E X</u>		PAGE
<u>OPENING MATTERS</u>		5-15
Hearing Exhibit 1 marked/received in evidence [Sign-In Sheets]		105
1.	<u>TESTIMONY OF PUBLIC WITNESS BRUCE HEADLEY</u>	15
	Hearing Exhibit 2 marked for identification only [Submission in connection with testimony]	20
2.	<u>TESTIMONY OF PUBLIC WITNESS JOHNNY R. CRIBB, JR.</u>	24
3.	<u>TESTIMONY OF PUBLIC WITNESS MARY RIGGS</u>	28
4.	<u>TESTIMONY OF PUBLIC WITNESS BYRON REED BULL, JR.</u>	29
5.	<u>TESTIMONY OF PUBLIC WITNESS PEGGY BURBAGE</u>	33
6.	<u>TESTIMONY OF PUBLIC WITNESS BRENDA NESBIT</u>	35
7.	<u>TESTIMONY OF PUBLIC WITNESS PHIL WILLIAMS</u>	38
8.	<u>TESTIMONY OF PUBLIC WITNESS KEITH OLAWSKY</u>	40
9.	<u>TESTIMONY OF PUBLIC WITNESS BRUCE SINCLAIR</u>	46
10.	<u>TESTIMONY OF PUBLIC WITNESS NICHOLL RANSOM</u>	48
11.	<u>TESTIMONY OF PUBLIC WITNESS DAVE PRICE</u>	54
12.	<u>TESTIMONY OF PUBLIC WITNESS CARL BARTLETT</u>	59
13.	<u>TESTIMONY OF PUBLIC WITNESS NANCY FAGLIE</u>	62
14.	<u>TESTIMONY OF PUBLIC WITNESS HUGH CALDWELL</u>	64
15.	<u>TESTIMONY OF PUBLIC WITNESS RYAN ARIAIL</u>	65

	PAGE
16. <u>TESTIMONY OF PUBLIC WITNESS WALTER TARZA</u>	69
17. <u>TESTIMONY OF PUBLIC WITNESS MARY P. COTHRAN</u>	70
18. <u>TESTIMONY OF PUBLIC WITNESS SAM IBREAK</u>	74
19. <u>TESTIMONY OF PUBLIC WITNESS RICHARD THOMPSON</u>	75
20. <u>TESTIMONY OF PUBLIC WITNESS WILLIAM HANSEN</u>	77
21. <u>TESTIMONY OF PUBLIC WITNESS JEREMY COTHRAN</u>	83
Hearing Exhibit 3 marked for identification only	
[Submission in connection with testimony]	87
22. <u>TESTIMONY OF PUBLIC WITNESS MELISSA GOFORTH</u>	87
Hearing Exhibit 4 marked for identification only	
[Submission in connection with testimony]	90
23. <u>TESTIMONY OF PUBLIC WITNESS CHRIS GORDON</u>	93
Hearing Exhibit 5 marked for identification only	
[Submission in connection with testimony]	100
24. <u>TESTIMONY OF PUBLIC WITNESS GEORGE LANDER</u>	100
25. <u>TESTIMONY OF PUBLIC WITNESS ARTHUR McCLAIN</u>	103
<u>CLOSING MATTERS</u>	105
<u>REPORTER'S CERTIFICATE</u>	106

P R O C E E D I N G S

CHAIRMAN RANDALL: Good evening, ladies and gentlemen. Welcome to tonight's hearing. We are glad you're here. We've got a great turnout. We are glad to have everyone here and to hear your concerns.

I want to start off by introducing the members of the Public Service Commission who are here. We've got some other folks I want to introduce, to make sure that you know. Down to my left, Commissioner Butch Howard from District 1; to his immediate right, Commissioner O'Neal Hamilton from District 7; Commissioner Swain Whitfield from District 5. On my other far right, Commissioner Florence Belser from District 6, and Commissioner Tom Ervin –

COMMISSIONER BELSER: Two.

CHAIRMAN RANDALL: I mean 2. Excuse me. And Commissioner Tom Ervin from District 4. My name is Randy Randall, and I represent District 3. Our other Commissioner, Justin Williams, representing District 2, is serving our country in Iraq right now, so we're all...

[Applause]

COMMISSIONER BELSER: Six.

1 **CHAIRMAN RANDALL:** Or from – from District 6.
2 I get the districts all mixed up, so – we don't
3 represent just the district; we represent everyone.

4 I also want to say welcome to Sen. Katrina
5 Shealy and Rep. Chris Wooten, who are both here.
6 We invited them to speak, but they want you to be
7 able to speak tonight, so we're glad – oh, okay.
8 Rep. Paula Calhoun, as well. She got in here after
9 I came back up here, so...

10 Any other members of the General Assembly
11 here?

12 [No response]

13 Okay, great. Thank you. Okay. Now we'll
14 take appearances from the parties who are here.

15 **MR. ELLERBE:** Mr. Chairman, Frank Ellerbe, and
16 with me is Sam Wellborn, representing the company
17 this evening.

18 **CHAIRMAN RANDALL:** Thank you. Welcome.

19 **VOICE:** So you're representing Blue Granite.

20 **MR. ELLERBE:** Yes, sir.

21 **VOICE:** Okay.

22 **CHAIRMAN RANDALL:** Sir, let's –

23 **VOICE:** Wanted to get it clear.

24 **MR. NELSON:** Good evening. Jeff Nelson and
25 Chris Huber for the Office of Regulatory Staff.

1 **MS. LYBARKER:** Carrie Grube Lybarker,
2 Administrator and Consumer Advocate at the
3 Department of Consumer Affairs. I have Becky Dover
4 as Consumer Advocate here, as well.

5 **CHAIRMAN RANDALL:** Great, thank you. Welcome.

6 Okay. I'm going to turn it over to Mr. Nelson
7 from the ORS for a few comments on some of the
8 procedures tonight.

9 **MR. NELSON:** Good evening. Thank you for
10 coming. I'm the one that's responsible for kind of
11 setting the guidelines for tonight, just to let
12 y'all know the process and how all of this is
13 supposed to go.

14 Again, I'm Jeff Nelson. I'm with the South
15 Carolina Office of Regulatory Staff. The Public
16 Service Commission is the agency, obviously, that
17 is sponsoring and holding the hearing here tonight.
18 My agency represents the public interest in all
19 proceedings in front of the Public Service
20 Commission, but we're not a part of the PSC.

21 The hearing tonight is to allow you to share
22 your thoughts and comments regarding Blue Granite
23 Water Company's Application for rate increase.
24 This is set up just to allow everybody to get an
25 opportunity to come and speak. The merits hearing

1 itself will take place on February 26th, at the
2 Commission's hearing room, beginning at 10 a.m.
3 that day. This is your chance to speak tonight.

4 If you decide that you want to speak that
5 evening – because there is a night hearing that
6 evening over at the Commission – you can speak
7 either there or you can speak here, but you can't
8 do both. So this is – you get one opportunity, one
9 bite at the apple, either here or over at the
10 Commission.

11 The Commission takes what you say very
12 seriously. What you say here tonight becomes a
13 part of the official record. Ms. Jo Wheat, sitting
14 down here, is the court reporter for the Public
15 Service Commission. Ms. Wheat has to take down
16 everything that's said here tonight and that
17 transcript becomes part of the record in this case.

18 If you do get up and speak tonight, please
19 make sure that you speak loudly and clearly so that
20 Ms. Wheat can hear you. Also, if you're asked any
21 questions either by the Commissioners or from any
22 of the attorneys, please make sure that you
23 answer – that you verbalize your answers, that it's
24 not – a head nod or a shake doesn't suffice,
25 because she can't take that down in the record.

1 I might ask you questions. The other
2 attorneys, either for Consumer Affairs or for the
3 company, may ask you questions. Also, the
4 Commissioners have the opportunity to ask you
5 questions when you come up to testify. Please
6 don't take it badly if we ask you questions.
7 Sometimes we just need to get more information. I
8 might hear something and think that might remind me
9 of something else and I might want to get more
10 information from you. But if we don't ask any
11 questions, don't take it personally. We can't ask
12 everybody questions; we do have a limited amount of
13 time to try to have this hearing tonight.

14 I'd like to introduce a couple of people here
15 with me from the Office of Regulatory Staff.
16 Michael Seaman-Huynh is sitting right here
17 [indicating] and Dan Hall [indicating]. Both of
18 them are with the ORS Utilities Rates Department.
19 Ron Aiken, I believe, is here someplace, as well,
20 and Ron is our public affairs officer. My co-
21 counsel, Chris Huber, I already introduced. We
22 also have two people outside in the lobby; Takisha
23 Waller is out there, as well as Brad Kirby. They
24 are part of the Consumer Services Division of the
25 ORS.

1 If you have any questions – you can't ask
2 questions of the Commissioners tonight, okay?
3 That's just – it's not permissible. They act in
4 what's called a quasi-judicial capacity; in other
5 words, they sit as judges. And the same way a
6 witness in a criminal trial can't ask the judge
7 questions, you can't ask them questions. But
8 that's why we're here. So if you have a question
9 that comes up during the proceeding, feel free to
10 go out in the lobby and speak to Brad Kirby or
11 Takisha Waller. Or if you want, if you want to
12 talk to myself or Mr. Huber or one of our
13 representatives from the Rates Department, you
14 know, I will say here as long as needed tonight, to
15 answer any of your questions, so – but I can't
16 answer questions while the hearing is taking place.
17 So either go and talk to folks outside or wait till
18 we're done and come and talk to us.

19 We also have a 1-800 number that is available.
20 We have some pamphlets and information out there in
21 case you have issues that you need to report to us.
22 We're always available 8:30 to 5 o'clock every day.
23 If that doesn't suit you, leave a message and we
24 always return calls the next day, or the next work
25 day.

1 I wanted to give you a very quick, brief
2 overview of the case. A lot of you probably have
3 already read the information that was sent to you.
4 The company has asked for a 35 to 55 percent
5 increase in water rates and a 56 percent increase
6 in sewer rates. In particular, the company is
7 requesting to add a purchased-water or -sewer
8 charge to customers' bills, to change the value of
9 its depreciation, to add a surcharge to customers'
10 bills for a storm reserve fund, to allow customers
11 to round up their payments to the nearest dollar,
12 with the funds directed to community action
13 agencies to assist low-income residents pay their
14 sewer and water bills, and they're also asking to
15 be allowed to earn a profit for their shareholders
16 of 10.7 percent.

17 ORS and the Intervenors in this case filed
18 testimony in this case last Thursday. So we've
19 already put things out there. It's on the Public
20 Service Commission website, and you can see the
21 positions the other parties have taken in this
22 case.

23 Very briefly, to summarize, ORS' position is
24 to attempt to reduce, by a little over \$3 million,
25 the requested revenue increase that the company's

1 made in this case.

2 The Commission is holding a total of seven
3 night hearings, so this is – you all are the very
4 first one. And then they also, like I said, will
5 begin to have the hearing – what we call the merits
6 hearing – on February 26th, at 10 a.m.

7 I don't have anything else. I would just ask
8 that people please maintain some decorum tonight.
9 We will treat you with respect and ask that you do
10 the same for the Commission. Thank you.

11 Mr. Chairman, I would ask one thing, that the
12 sign-in sheets from tonight's hearing be marked and
13 entered into the record as a hearing exhibit.

14 **CHAIRMAN RANDALL:** The sign-in sheets will be
15 entered as Hearing Exhibit No. 1. Thank you, Mr.
16 Nelson.

17 Also, we've had – I think Sen. Harputlean has
18 come in, so wanted to welcome you, Senator. Glad
19 you're here.

20 Okay. All right. I'm going to turn it over
21 for a moment, for a few more instructions from Mr.
22 Randall Dong, and then we'll go to Mr. Rob Bockman
23 and get started.

24 **MR. ELLERBE:** Mr. Chairman.

25 **CHAIRMAN RANDALL:** Yes, sir.

1 **MR. ELLERBE:** Before you get to that, I just
2 wanted to introduce someone to speak to folks. For
3 clarity, I am representing Blue Granite Water
4 Company today. We've got a few people. President
5 of Blue Granite, Don Denton, is here [indicating].
6 We are not going to speak tonight. We're not going
7 to take up any of your time. As Mr. Nelson said,
8 this is for y'all. We will be listening. Mr.
9 Denton has a team of folks here. If there's
10 something specific that y'all – a question about
11 your bill or some issue that y'all have with the
12 company that you think somebody on Mr. Denton's
13 team might be able to help you with, these folks
14 can talk to you either after the hearing or they
15 can step outside in the hall and talk to you while
16 it's going on. So we wanted to make that – make
17 y'all aware of that, and we look forward to hearing
18 what y'all have to say.

19 Thank you, Mr. Chairman.

20 **CHAIRMAN RANDALL:** Thank you. I'm going to
21 turn it over to Mr. Randall Dong, our attorney.

22 **MR. DONG:** Good evening. Can you hear me? I
23 don't have a lot to add to what Mr. Nelson has
24 given you already. He's given you a great deal.

25 I would ask that you please silence your

1 electronic devices. And, also, we're – one thing
2 that hasn't been mentioned: You see over here
3 there's a clock [indicating]. In hearings like
4 this, there are lots of folks who want to speak,
5 and we want to give everybody an opportunity to
6 speak who would wish to. And so we're asking
7 people to please observe the three-minute time
8 limit. We've got a clock there, and so you'll be
9 able to see it and observe it, and try to limit
10 your comments to three minutes if you could,
11 please.

12 What else? I think it's pretty well been
13 covered.

14 **CHAIRMAN RANDALL:** Okay. Thank you.

15 Mr. Rob Bockman, who is going to be calling
16 the names in a minute, has a few more things. Go
17 ahead, Mr. Bockman.

18 **MR. BOCKMAN:** Thank you, Mr. Chair.

19 Thank you all for being here this evening.
20 The way this will proceed is I will call out three
21 names in a row. The first speaker will be at the
22 podium. We have several chairs available at the
23 front row, right over here, if you're able to sit
24 over there and just, after the first speaker
25 finishes speaking, you'll be called up next.

1 Please give the speaker a little bit of space so
2 that, if there are any questions, they are able to
3 address those, from the Commission or from the
4 Intervenors or the parties, and at that point you
5 will then take your seat. Again, I'm going to call
6 out three names so we'll have two people on deck so
7 we can facilitate a fast transaction over the
8 course of the evening.

9 You will have three minutes. I will not be
10 mic'd when I'm calling out your name, so I will be
11 yelling those quite loudly. So do listen for your
12 name. And, also, please do not applaud after each
13 speaker, so that we're able to hear the next name.

14 Aside from that, we would encourage you to
15 follow the Public Service Commission on Facebook
16 and Twitter and the South Carolina Utility Consumer
17 Program, which sort of provides information about
18 this kind of proceeding and any meetings and
19 hearings that we have coming up.

20 In addition to that, we do livestream all
21 meetings and proceedings that the Commission holds.
22 You can visit our website at www.psc.sc.gov.
23 Again, that's www.psc.sc.gov. And you'll be able
24 to access the livestream from there.

25 Aside from that, I believe we have everything

1 covered, so I will call out the first three names
2 at this point. If we could have the first person
3 take the podium and the next two on deck, please?
4 It's going to be Bruce Headley, Johnny Cribb, and
5 Mary Riggs.

6 [Witness affirmed]

7 THEREUPON came,

8 **B R U C E H E A D L E Y ,**

9 who, having been first duly affirmed, testified as follows:

10 **WITNESS:** My name is Bruce Headley. I'm here
11 with my wife –

12 **CHAIRMAN RANDALL:** Let's move that microphone
13 up a little bit and get it in front of you.

14 **WITNESS:** [Indicating.]

15 **CHAIRMAN RANDALL:** There you go.

16 **WITNESS:** My name is Bruce Headley. I'm here
17 with my wife, Sue. We live in Lexington.

18 And, basically, what I'm going to talk about
19 within the three-minute time span is information I
20 found on the Internet regarding rates within South
21 Carolina, historical rates, and then I also found
22 some Internet sites on average water and sewer
23 billings on a national average. So what I'm doing
24 is basically comparing what the company is asking
25 for, in terms of rate increases, and where they're

1 at right now, and in comparison with the
2 competition in the State and also on a national
3 average.

4 So there are 15 other – from my understanding,
5 from what I've seen on the Internet, there's about
6 15 other companies that provide sewer and water
7 service within South Carolina. So Blue Granite is
8 kind of a minor player in all this; they have about
9 2 percent of the market share.

10 According to local media – primarily *The*
11 *State* – Blue Granite was previously Carolina Water
12 Service. They changed their name in 2019,
13 basically to improve their image, I think. That's
14 what *The State* newspaper mentioned.

15 Customers rated Carolina Water – numerous
16 customers – rated the company one out of five stars
17 due to their poor performance and not addressing
18 service very well.

19 Their performance over the last several years
20 is a rate increase every two years, which is at
21 least double what the rate of inflation is. And my
22 guess is, I mean, water supplies and sewage should
23 be basically a pretty forecastable amount, so you
24 should be able to forecast what your needs are
25 going to be, going in, I would think.

1 There's some fairly extensive materials out
2 there on municipal water and sewer rates. I
3 referenced one that was – in fact, I have copies if
4 anybody wants one – 2019 South Carolina Municipal
5 Water and Sewer Rates Summary, which takes Carolina
6 service providers and has a rate for sewer and a
7 rate for water, for every municipality and every
8 county in the State of South Carolina. And I think
9 they're based on 2018 rates.

10 At the time of Bluewater's name change – or,
11 Blue Granite's name change, the average cost of
12 water and sewer nationally and in South Carolina
13 was about \$70 a month, based on those surveys. My
14 latest bill, adjusted for the average usage of 5000
15 gallons, which I guess is a standard, is \$118 a
16 month. That's 68 percent higher than the norm of
17 rates in South Carolina. Again, that's from
18 information off of the surveys.

19 Adding insult to injury, now Blue Granite
20 wants to ask for an additional 55 percent increase
21 for water and 56 percent for sewer services. The
22 US national average –

23 [3-minute signal]

24 Am I done?

25 **CHAIRMAN RANDALL:** Yes, sir. Sorry.

[Laughter]

WITNESS: Can I just say one more thing?

CHAIRMAN RANDALL: Yes, sir.

WITNESS: Changing your name to improve your image and asking for a 50 percent rate increase is not a solution. My suggestion would be, because they're a minor player with 2 percent market share, is turn over their business to one of the other 15 remaining service providers.

CHAIRMAN RANDALL: Thank you, Mr. Headley. Hang on, let's see if anybody – hang on, Mr. Headley. Mr. Headley, please hang on if anybody needs to ask – questions from the parties, anybody?

[No response]

Commissioners?

COMMISSIONER WHITFIELD: Mr. Chairman.

CHAIRMAN RANDALL: Yes, sir.

COMMISSIONER WHITFIELD: Mr. Chairman – Mr. Headley, would you like to – you mentioned your bill. Would you like to enter that in the record, have that entered in? You have it – you act like you have it with you. Do you want to enter that into the record?

WITNESS: I could, yeah. I've also got –

COMMISSIONER WHITFIELD: Strictly up to you.

1 **WITNESS:** – copies of the surveys, the
2 municipal and county rates for the year 2018.

3 **COMMISSIONER WHITFIELD:** Well, you mentioned
4 your bill. It's strictly up to you, and of course
5 pertinent – other information would be redacted.
6 So it's strictly up to you.

7 **WITNESS:** Okay. It's also adjusted to bring
8 it up to the norm or standard of 5000 gallons a
9 month. But, yeah, I can do that.

10 **COMMISSIONER WHITFIELD:** There's the Chairman.
11 All you've got to do is ask him.

12 **CHAIRMAN RANDALL:** If you would like to, we'll
13 get that.

14 **MR. ELLERBE:** Mr. Chairman?

15 **CHAIRMAN RANDALL:** Yes, sir.

16 **MR. ELLERBE:** Can we just reserve an
17 opportunity to object after we see it? We haven't
18 seen the document.

19 **CHAIRMAN RANDALL:** Yes.

20 **MR. ELLERBE:** I got no problem with it, just
21 want to –

22 **CHAIRMAN RANDALL:** Certainly.

23 **MR. ELLERBE:** – put that on the record. Thank
24 you.

25 **CHAIRMAN RANDALL:** Certainly.

1 **MR. NELSON:** Mr. Chairman, we would – I'm
2 going to get feedback. We'd just like the
3 opportunity to reply to any comments that the
4 company makes in regard to anything introduced
5 tonight.

6 **CHAIRMAN RANDALL:** Certainly. Okay.

7 If you have that, and if you could give it to
8 Mr. Richardson?

9 **WITNESS:** Yeah. I'm also going to give him
10 the survey information off the Internet, from the
11 government.

12 **MR. ELLERBE:** Mr. Chairman, perhaps we can
13 mark these things for identification, and then we
14 could deal with whether there's an objection to it,
15 you know, at the time when we've had a chance to
16 look at it and not slow things down.

17 **CHAIRMAN RANDALL:** We're actually going to do
18 that, Mr. Ellerbe.

19 **MR. ELLERBE:** Thank you, Mr. Chairman.

20 **CHAIRMAN RANDALL:** We're going to enter that
21 as Hearing Exhibit No. 2 – or, mark it for
22 identification as Hearing Exhibit No. 2.

23 [WHEREUPON, Hearing Exhibit No. 2 was
24 marked for identification.]

25 **EXAMINATION**

1 **BY COMMISSIONER BELSER:**

2 **Q** Mr. Headley, one question for you. Over here
3 [indicating]. Would you mind telling me what
4 subdivision?

5 **A** The Landings?

6 **Q** The Landings?

7 **A** Yeah, over near Lake Murray.

8 **Q** Okay. And is your water bill – is it based on bulk
9 purchased water or is it delivered from a well by CW –
10 by Blue Granite?

11 **A** It's purchased water, yeah.

12 **Q** Thank you, very much.

13 **A** We have – we don't use it for outside watering because
14 we've got a leaky pump, but it's – the norm is 5000 a
15 month; we use about 3000-3500 a month. So I adjusted
16 that bill to 5000 a month.

17 **Q** Thank you, very much.

18 **A** Sure.

19 **CHAIRMAN RANDALL:** Thank you, Mr. Headley.

20 **MR. NELSON:** Could I ask some questions? I
21 think I was a little slow, but...

22 **CROSS EXAMINATION**

23 **BY MR. NELSON:**

24 **Q** Mr. Headley, you don't need to tell me this, but I would
25 like to know – and this is for everybody, too – would

1 like to know what your address is, because if you have
2 an issue with the bill or if something's brought up in
3 regards to the billing, we like to be able to check that
4 with our records.

5 **A** So you want me to –

6 **COMMISSIONER BELSER:** Mr. Chairman, if I
7 might, I think that where they signed in, their
8 addresses are there.

9 **MR. NELSON:** Okay.

10 **COMMISSIONER BELSER:** I think we've kind of
11 reached a point where, because these night hearing
12 transcripts will be online, we're no longer asking
13 that the customers or the witnesses state their
14 address for that.

15 **CHAIRMAN RANDALL:** But we do have that.

16 **MR. NELSON:** Thank you.

17 **WITNESS:** My concern is not really with my
18 bill, specifically. I mean, it is what it is.
19 It's more with what Blue Granite is looking for, in
20 terms of what the rates are now and what they're
21 looking for as a rate increase and what the other –
22 what their competition within the State is charging
23 and, also, what the national average is. It's
24 substantially higher.

25 <

1 **BY MR. NELSON:**

2 **Q** You also mentioned something about the name change. Has
3 your quality of service or customer service improved
4 since the name's been changed?

5 **A** Well, the old website is the one that had all the
6 negative – in the Carolina Water Service, had all the
7 negative commentary on it. So whether they changed
8 their customer service policy, I have no idea.

9 **Q** You haven't had any dealings with them, I guess?

10 **A** I've had to call them a couple of times when they were
11 Carolina Water. And I've left a couple messages on a
12 couple of different occasions. I never heard back,
13 which is I think a lot of people's complaint.

14 **Q** Are you aware that the company has moved their
15 headquarters to Greenville?

16 **A** No.

17 **Q** Do you believe that it's fair for customers to pay for
18 that company's move of the –

19 **MR. ELLERBE:** Object to the form.

20 **BY MR. NELSON:**

21 **Q** – headquarters to Greenville?

22 **MR. ELLERBE:** Object to this question. This –

23 **CHAIRMAN RANDALL:** Sustained.

24 **MR. ELLERBE:** – witness doesn't –

25 <

1 **BY MR. NELSON:**

2 **Q** You can answer the question.

3 **A** Sir?

4 **MR. NELSON:** Or did you sustain? I'm sorry.

5 **CHAIRMAN RANDALL:** No, I sustained it. I
6 said – yeah.

7 **MR. NELSON:** You sustained it?

8 **CHAIRMAN RANDALL:** Yeah.

9 **MR. NELSON:** I'm sorry. I didn't hear that.

10 **CHAIRMAN RANDALL:** That's not –

11 **MR. NELSON:** Never mind.

12 **WITNESS:** Okay.

13 **MR. NELSON:** Thank you, Mr. Headley. I
14 appreciate your testifying.

15 **CHAIRMAN RANDALL:** Thank you, Mr. Headley.

16 [WHEREUPON, the witness was excused.]

17 Okay. Who's next?

18 [Witness affirmed]

19 THEREUPON came,

20 **J O H N N Y R . C R I B B , J R . ,**

21 who, having been first duly affirmed, testified as follows:

22 **WITNESS:** Johnny r. Cribb, Jr. I'm from –
23 well, I'm here representing Oak Grove, I'll be
24 honest with you, in the Mineral Creek subdivision
25 off of Mineral Springs Road.

1 In reference to – oh, I just want to thank you
2 for being here today. I'm sorry. After listening
3 to that, I got a little off-track myself. But, I
4 mean, it was good information. And to tag along
5 that information, I will say this: One thing I
6 do – don't understand, coming from a town like
7 Georgetown – I grew up in a small town. It was
8 smaller than – obviously, it's a mill town. We
9 paid for our utilities – trash, water, sewer – and
10 I can't recall ever a time, even though I didn't
11 pay the bills, but my family, my mother and father,
12 ever paid more than \$50 for all three services.

13 Now, when I moved here in 1991, I joined South
14 Carolina Highway Patrol, and I knew that there was
15 going to be some differences in living in Richland
16 or Lexington. When I finally built a home in
17 Lexington County and understood that I was going to
18 be hooked to Carolina Water, what a surprise. I
19 found an exorbitant amount of money that I've never
20 understood water could cost so much. But I will
21 say this: As angry as I am that every so often
22 they get a rate increase, that my water bill is
23 higher than a lot of the people that live in the
24 Town of Lexington or in the Town of West Columbia
25 or the Town of Cayce, I started checking after this

1 rate increase and looked on their website. And if
2 you go to their website, there's a thing called
3 Media Room where it says: 2019 Rate Case Helpful
4 Information.

5 After it goes through some of the things that
6 y'all just talked about earlier, they said, "To
7 earn a reasonable return on its investments..."
8 Now, I believe the investment should be in the
9 customer, but all I've heard, so far – because I
10 haven't seen infrastructure, I haven't seen a plan
11 that they say, "Hey, this is what we're going to
12 do, these sections first, for making sure the
13 pipes, the pumps, the hydrants are all in working
14 condition, or this treatment plant." I haven't
15 seen a plan on these quick facts about why we're
16 having this rate increase. And they have not been
17 denied a rate increase since 2004. And it seems to
18 me that this – and y'all even mentioned it – the
19 10.7 guaranteed return to their investors is what
20 their investors are looking for.

21 Ladies and gentlemen of the Commission, the
22 investors in this water company are the people in
23 here that pay that water bill. It is not our
24 problem that people that invested money in this
25 company, who know when they make an investment they

1 may be guaranteed 10 percent, 9 percent – I don't
2 care if it's 2 percent – they are not guaranteed
3 that money.

4 [3-minute signal]

5 That is what they call a risk. Same thing
6 when you buy stocks. The investment should be the
7 people that are in here. And I'll be honest with
8 you, other than the change – whether it's Carolina
9 Water, Utilities, Incorporated, Blue Granite, I
10 mean, it's hard for us as customers to keep up.

11 **CHAIRMAN RANDALL:** Thank you, sir.

12 **WITNESS:** I'm not done – oh, it's over?

13 [Laughter]

14 **CHAIRMAN RANDALL:** Yes, sir. I'm sorry.

15 **WITNESS:** I could go on forever.

16 **CHAIRMAN RANDALL:** I know. That's why we got
17 that three minutes.

18 [Laughter]

19 Questions from the parties? Questions?

20 [No response]

21 No questions? Commissioners, any questions?

22 **WITNESS:** I'm open.

23 [Laughter]

24 **CHAIRMAN RANDALL:** Mr. Cribb, thank you –

25 **WITNESS:** You're welcome.

1 **CHAIRMAN RANDALL:** – for your testimony.

2 Appreciate it.

3 **VOICE:** Good job.

4 [Applause]

5 [WHEREUPON, the witness was excused.]

6 **CHAIRMAN RANDALL:** Please – please, if we
7 could please hold the applause, we can move this
8 along a little faster, folks, and not take away
9 folks' time.

10 [Witness affirmed]

11 THEREUPON came,

12 **M A R Y R I G G S ,**

13 who, having been first duly affirmed, testified as follows:

14 **WITNESS:** My name is Mary Riggs and I live in
15 the Oak Grove area, near the elementary school.

16 Luckily, all I have right now is water,
17 because they lost their sewer to the Town of
18 Lexington for polluting the Lower Saluda River.
19 And if they couldn't take care of those properties,
20 that infrastructure, where they had to pollute the
21 Lower Saluda, how do we know they're going to use
22 the money to do the infrastructure for the water
23 and the sewer for the other people? We don't have
24 sewer with them, thankfully.

25 And that's – you know, I don't have a big

1 speech like everybody else, but my husband and I
2 are on fixed income, and a rate increase like that
3 would really dig into our finances.

4 That's basically all I've got to say.

5 **CHAIRMAN RANDALL:** Thank you, Ms. Riggs.

6 Any questions from the parties? Questions?

7 [No response]

8 Commissioners?

9 [No response]

10 Thank you, ma'am, appreciate you being here.

11 [WHEREUPON, the witness was excused.]

12 **MR. BOCKMAN:** At the podium next we have Reed
13 Bull, followed by Peggy Burbage, and Brenda Nesbit
14 on deck. That's Reed Bull, Peggy Burbage, and
15 Brenda Nesbit.

16 [Witness affirmed]

17 THEREUPON came,

18 **BYRON REED BULL, JR.,**
19 who, having been first duly affirmed, testified as follows:

20 **WITNESS:** My name is Byron Reed Bull, Jr. I
21 live in Lexington; I live in The Landings
22 subdivision, which is out by the lake on Old
23 Cherokee Road.

24 I've lived there for 32 years, and so I've
25 experienced the water and sewer system with

1 Carolina Water Service, now Blue Granite, for 32
2 years. And that was – I have stated earlier – one
3 of the biggest shocks I've got, when I moved from
4 Richland County over to Lexington County, is when I
5 got my first water-and-sewer bill. But that was a
6 small bill compared to what we pay now. That was a
7 bimonthly bill. Now we have a much bigger bill.

8 I'm a retired civil engineer, so I know a
9 little something about water and sewer systems and
10 I know a little something about, you know, what the
11 existing systems are in our Landings subdivision
12 area.

13 My real problems here and what some of the
14 data – I took my bills over the last years, and we
15 had a public hearing back when – that was 2018, I
16 think it was May, and I presented some of this same
17 data, and what I did was updated for here. I took
18 my bills and went back and computed some of the
19 rates. What I did it for is a – we get water and
20 sewer, and I'm going to talk about this a little
21 bit, too, if I can speak fast enough. But the
22 water we pay – we get – is treated by Lexington
23 County at the Lake Murray treatment plant,
24 transported about four and a half miles to
25 Beechcreek Road, which then Blue Granite picks the

1 water up out of that system and takes it about
2 probably 500 yards to my house, and varying
3 distances to the other houses but not much. And
4 then they send us a bill when they read the meters.

5 Our sewer system is a famous LETTS system that
6 was developed around Lake Murray, which I have a
7 septic tank and my effluent goes to the treatment
8 plant, which is out at the end of Old Chapin Road.
9 When my septic tank backs up, I'm required to pump
10 it out. And it has happened three times. It
11 always happens either Friday or between Friday and
12 Sunday, so you can't get anybody –

13 [Laughter]

14 – to come do anything about it. I've
15 experienced it three times. So that's the system
16 we're dealing with now.

17 What I did, looking at my bills, I went back
18 where I had some old bill records for the last
19 eight years, going back to 2012, the rates I paid –
20 I would have paid. I just took like, say, 3000
21 gallons and 4000 gallons and I computed it for
22 both. The sewer rate's always been the fixed rate,
23 so it – but in those last – from 2012 to the
24 present proposed rates, the increased –

25 [3-minute signal]

1 – average – and I'll finish here in a second –
2 is about 123 percent. The increase for water
3 during that same period of time has been 78
4 percent. The increase in the sewer rates' fixed
5 rate is 159.6 percent. It's ridiculous. And I've
6 been complaining for 32 years about it, because
7 I've got a septic tank and all us that live on the
8 lake have a septic tank. We pay the same rate of a
9 person who doesn't have a septic tank and their
10 sewer goes straight to the treatment plant. And
11 the solids are the biggest problem, because that's
12 what you've got to get rid of, all the residue
13 that's left over after the water's taken out.

14 So that's our complaint, and we feel the rates
15 are exorbitant.

16 **CHAIRMAN RANDALL:** Thank you, sir. Thank you.
17 Hang on, let me see if – any questions from the
18 parties? Mr. Nelson?

19 **CROSS EXAMINATION**

20 **BY MR. NELSON:**

21 **Q** Mr. Bull, you went into your bill a little bit here.
22 Are you aware of what the company's asking for, as far
23 as adding additional charges onto the bill? They want
24 to do a purchased-water charge and a purchased-sewer
25 charge. Do you understand that?

1 **A** Yeah, I used those in figuring those rates there, too.
2 In fact, some information there is: We pay as much to
3 Blue Granite for our water every month as we do to
4 Lexington County. And Lexington County has to transport
5 it four and a half miles, plus they have to treat it.
6 So something is wrong there, because all they do is
7 transport it, what, probably less than a half a mile,
8 quarter of a mile, and into the subdivision, and read
9 the meter and send us a bill.

10 **MR. NELSON:** Thank you, sir, appreciate your
11 testimony.

12 **CHAIRMAN RANDALL:** Thank you. Commissioners,
13 any questions?

14 [No response]

15 Thank you, Mr. Bull, appreciate it.

16 [WHEREUPON, the witness was excused.]

17 [Witness affirmed]

18 THEREUPON came,

19 **P E G G Y B U R B A G E ,**

20 who, having been first duly affirmed, testified as follows:

21 **WITNESS:** I'm Peggy Burbage. I live in the
22 Courtside Commons area.

23 I have lived in the Oak Grove community for
24 nine years. My water bill has always been high,
25 but it just seems to keep creeping up. And I've

1 noticed recently that neighborhoods nearby – West
2 Columbia, Cayce, even Columbia – have water bills
3 that are much, much lower than we have here in this
4 area.

5 It seems like every two or three years, we
6 have to come to one of these hearings like this, to
7 complain and ask the Public Service Commission to
8 hold the line on our water bills. But it hasn't
9 been happening.

10 Now Blue Granite wants to nearly divide – I
11 mean – I'm sorry. Blue Granite wants to double our
12 water bill and have customers like me pay for their
13 past mistakes. That's no way to do business.

14 The only other thing that really makes me
15 furious is that Blue Granite is still polluting the
16 beautiful Saluda River.

17 That's all I have to say.

18 **CHAIRMAN RANDALL:** Thank you, Ms. Burbage.

19 Any questions from the parties? Mr. Nelson.

20 **CROSS EXAMINATION**

21 **BY MR. NELSON:**

22 **Q** Ms. Burbage, are you a water-and-sewer customer, or just
23 a water customer?

24 **A** I'm sorry, sir, I am deaf.

25 **Q** Are you a water-and-sewer customer?

1 **A** Yes, sir.

2 **Q** Okay. So part of what you pay is the sewer – every
3 month, you pay a sewer bill, right?

4 **A** [Nodding head.]

5 **Q** Would you have a hard time paying the requested
6 increase, paying \$101 a month for a sewer bill?

7 **A** Yes. Oh, yes, I do.

8 **MR. NELSON:** Thank you, ma'am.

9 **CHAIRMAN RANDALL:** Thank you.

10 Commissioners, any questions?

11 [No response]

12 Thank you, Ms. Burbage.

13 [WHEREUPON, the witness was excused.]

14 [Witness affirmed]

15 THEREUPON came,

16 **B R E N D A N E S B I T ,**

17 who, having been first duly affirmed, testified as follows:

18 **WITNESS:** Brenda Nesbit. I live in the
19 Lexington Farms area, in Pelion.

20 I haven't had running water in my home since
21 January 14th. They turned my water off the 1st of
22 December. I paid everything that was due, plus a
23 \$40 reconnection fee. Two weeks later, I got a
24 bill saying I owed \$312 more. They said I had used
25 over 27,000 gallons of water. A week later, I got

1 another bill. Now currently, with my water cut off
2 since January 14th, my bill is \$449 without me
3 using any water at home. I can't pay that. I
4 can't pay that and pay a plumber, too.

5 We have looked for leaks. We found one little
6 minor leak that the company's employee put a
7 bandage around it. We have not found any more
8 leaks. I'm in the process of trying to find a
9 plumber that I can afford, to search for leaks.

10 My husband is a retired veteran. He left
11 home in July, not to return. My neighbor's water
12 bill, two people living there and two dogs, is
13 \$30-something a month, usually – \$35-\$36. Mine
14 usually, when my husband was there, run about \$50
15 a month. And since – they told me they misread it
16 a couple of times. He left in July, and I'm
17 basically not staying there. The water's cut off.
18 My electricity this month was \$24. That doesn't
19 seem to balance out.

20 That's all I got to say.

21 **CHAIRMAN RANDALL:** Thank you, Ms. Nesbit.

22 Questions from the parties?

23 **MR. ELLERBE:** Ms. Nesbit, would you like to
24 give the information, your address, to the folks
25 with the company and maybe they can look into the

1 situation?

2 **WITNESS:** I've called them several times. I
3 was, one day, on the phone trying to talk to them
4 for two hours. Two different times, two hours.

5 **MR. ELLERBE:** All right. We'll –

6 **WITNESS:** Put on hold.

7 **MR. ELLERBE:** – look into it, then. They
8 should have a record of who you are.

9 **WITNESS:** They've got a record, and they've
10 got my address out there.

11 **MR. ELLERBE:** Thank you, ma'am.

12 **WITNESS:** Thank you.

13 **CHAIRMAN RANDALL:** Hang on, Ms. Nesbit.

14 **MR. NELSON:** Ms. Nesbit, I would appreciate it
15 if you could talk to the Consumer Services people
16 that I've got sitting out there – Brad Kirby and
17 Takisha Waller – they're out in the lobby out
18 there, if you could stop by and see them on your
19 way out, I would appreciate it.

20 **WITNESS:** Okay. Thank you.

21 **CHAIRMAN RANDALL:** They'll be able to help
22 you.

23 Anybody other – Commissioners?

24 [No response]

25 Thank you, Ms. Nesbit.

[WHEREUPON, the witness was excused.]

MR. BOCKMAN: Next at the podium, we have Phil Williams. Phil Williams, followed by Kim Corrigan and Keith Olawslly_[sic].

[Witness affirmed]

THEREUPON came,

P H I L W I L L I A M S ,

who, having been first duly affirmed, testified as follows:

WITNESS: My name is Phil Williams and I live at Spence's Point.

I must say I haven't been had that many rules and regulations laid down to me before this meeting started since I was at officer candidate school 45 years ago. I'm not sure we didn't violate or at least stretch some of them before the first speaker was done talking.

I don't really have any hard facts about the water, as far as this rate was this and this rate was that. But in the end, I don't think I need to be an engineer or anything else to say that Blue Granite is getting away with usury rates, hidden fees, and using subterfuge – and that's the best I can do in this nice body here – to get a rate increase. I've told many, and many occasions in my life, just because it's legally right don't make it

1 morally right.

2 Now in this room, tonight, it's pretty
3 obvious: retirees, senior citizens, veterans, and
4 a lot of hard workers. A lot of people kind of
5 made Lexington and South Carolina what it is. And
6 I'm sure, looking in your eyes, you people on this
7 Commission are from that same group. And good for
8 you. But now, if you are, do the right thing.

9 That's all I got.

10 **CHAIRMAN RANDALL:** Thank you, Mr. Williams.
11 Hang on.

12 Questions, parties?

13 **MR. ELLERBE:** No, sir.

14 **CHAIRMAN RANDALL:** Questions, Commissioners?

15 [No response]

16 Thank you, sir.

17 [WHEREUPON, the witness was excused.]

18 **MS. CORRIGAN:** I'm going to pass.

19 **MR. BOCKMAN:** Kim Corrigan?

20 Keith Olawsly_[sic], followed by Bruce Sinclair
21 and Nicholl Ransom. Bruce Sinclair and Nicholl
22 Ransom, if y'all would like to take seats near the
23 front, please.

24 [Witness affirmed]

25 <

1 THEREUPON came,

2 K E I T H O L A W S K Y ,

3 who, having been first duly affirmed, testified as follows:

4 WITNESS: My name is Keith Olawsky. I'm the
5 HOA president from the Land's End community, down
6 the end of Old Chapin Road. We're home of the
7 famous Watergate plant that continuously dumps into
8 Lake Murray, which we find out about these dumps
9 months later. It's always a "Whoops, we meant to
10 do this, we meant to do that."

11 Not going to talk about numbers. I'm not a
12 real numbers guy. But I want to tell you about the
13 issues that we have in our community of 114
14 homesites. The constant smell of the water, the
15 noise of the plant. It's a constant flow of pumper
16 trucks. It stays broken down. They have to pump
17 the raw sewage to other locations to have it
18 processed. Happens all the time. The accidental
19 releases; we get no response. Customer service is
20 nonexistent. I have called and called and called.
21 My neighbor who moved in two days ago, he was on
22 the phone with them three hours today and could not
23 get his water cut on today. They never answer;
24 once they put you on hold, never came back.

25 Our meters. I have caught, personally, five

1 or six times, the guy that was reading the meters
2 asleep in his truck on our property. So then what
3 they did was they hired ClearWater Solutions, a man
4 named Chris Thomas and Robert Nichols, to take over
5 overseeing the plant and our community. I met with
6 them. They said it had been literally, minimum,
7 months and months and months since some of the
8 meters had been read. To this day, they are still
9 having to dig up and find meters that haven't been
10 read in years. They come out and have to dig them
11 up and find them behind our townhomes.

12 They're now come out – now they've come out,
13 they've found several meters that no longer work.
14 So their response to that was they dug it up,
15 realized it wasn't hooked up, they filled the
16 ground with sand, and then they put centipede sod
17 around it, in the middle of – our community just
18 put in \$70,000 of Bermuda sod this past summer, and
19 now they're putting patches of centipede grass in.
20 And I've asked them, "We need this, the proper
21 grass, put in." Nothing has happened.

22 Chris and Robert from ClearWater, they've told
23 us, they said the meters that are out there appear
24 to be the original meters when these places were
25 built back in the '70s. They said, at best,

1 they're 80 percent accurate. At best. He said,
2 "We're trying to get them to go to the electronic
3 meters; those are 95 percent to 98 percent
4 accurate. That's what they need to go to." He
5 said, "We can't get them to do it."

6 The plant is just an abyss out there. It's
7 awful. I've talked to Chris and Robert about it,
8 and they said, "We know there's the issue. We know
9 the pumper trucks have to pump this thing out
10 because it constantly breaks down." Working in my
11 yard, today, four guys over there working every day
12 of the week. They're over there working and it's
13 just – I mean, they're yelling and screaming to try
14 to hear over the machinery, as it never runs
15 correctly.

16 [3-minute signal]

17 So, not talking about numbers, just talking
18 about the experience, I read where some of the
19 people from the company said, "You know, trust us.
20 We're going to try to do better." That's kind of
21 out the window. Our community lives next to their
22 plant. We've been dealing with it for years and
23 years and years.

24 Thank you.

25 **CHAIRMAN RANDALL:** Thank you, Mr. Olawsky.

Questions from the parties?

MR. ELLERBE: No, sir.

CROSS EXAMINATION

BY MR. NELSON:

Q Mr. Olawsky, you talked about the smell. Is the smell of the plant or does the water that's coming out of your tap smell?

A Yes.

Q Both.

A Both. They water reeks, the plant reeks. The gentleman from ClearWater told us, said, "We're trying to add deodorizers to mask the smell, but we're not really allowed to do that as much as we want to, by Blue Granite."

Q You're talking about masking the smell of the –

A Of the raw sewage that's being processed, in the air in our community. Yes. But the water, yeah, the water always has the smell.

Q Have you made any complaints at any point?

A We've tried, like I – I've – you call. The customer service is virtually nonexistent. I tried to go on and set up my bill to pay it online. I still have not been able to do it. They said they don't have the technology to – I mean, I just wanted to give them a card and set it up, but, no. "Don't have the technology. You've got

1 to fill out paperwork and mail us paperwork.”

2 **Q** How about, have you had any boil-water advisories in
3 your neighborhood?

4 **A** No, because – no, we have not had any boil in our
5 community, but the problem is we live on Lake Murray.
6 And we got a note – our last note we got about warning
7 us about the [indicating] “accidental” release, it was
8 weeks and weeks after the release actually happened. I
9 know somebody involved with one of the other water
10 companies’ communities, said, no, that was a long time
11 ago that release happened, and they’re just now letting
12 their people know.

13 **MR. NELSON:** Thank you, sir. Appreciate it.

14 **WITNESS:** Thank you.

15 **CHAIRMAN RANDALL:** Hang on one second.

16 **WITNESS:** Yes, sir.

17 **CHAIRMAN RANDALL:** Commissioners.

18 **COMMISSIONER ERVIN:** Mr. Chairman?

19 **CHAIRMAN RANDALL:** Commissioner Ervin.

20 **COMMISSIONER ERVIN:** Thank you.

21 **EXAMINATION**

22 **BY COMMISSIONER ERVIN:**

23 **Q** Could you tell us the street address for the company’s
24 facility that you referred to?

25 **A** It is on Spence’s Drive. I don’t know the street

1 number, but –

2 **Q** Spence's Drive –

3 **A** – if you run out of Chapin Road, you run in our gate.

4 Their trucks are constantly in and out of our gate, and
5 the pumper trucks from the other companies, so...

6 **Q** And do you have the last names of the two workers that
7 you spoke with?

8 **A** Yes. It's Chris Thomas, who – he was the regional
9 manager for ClearWater; and Robert Nichols is the on-
10 site boss, whatever you want to call him.

11 **Q** You happen to have a phone number for them?

12 **A** I've got it at home. I've got their business cards at
13 home that they've given me.

14 **Q** Could you provide it to ORS, so –

15 **A** Most certainly.

16 **Q** – they can follow up on that?

17 **A** Uh-huh.

18 **Q** Thank you for coming.

19 **A** All right.

20 **CHAIRMAN RANDALL:** Thank you. Thank you, Mr.
21 Olawsky.

22 **WITNESS:** All right.

23 [Applause]

24 [WHEREUPON, the witness was excused.]

25 **CHAIRMAN RANDALL:** Mr. Bockman? We had

1 someone skipped. Next three.

2 MR. BOCKMAN: Yeah, we've got Bruce Sinclair?
3 Bruce Sinclair?

4 [Witness affirmed]

5 THEREUPON came,

6 B R U C E S I N C L A I R ,
7 who, having been first duly affirmed, testified as follows:

8 WITNESS: My name is Bruce Sinclair. I live
9 in the Rollingwood subdivision, just off of Old
10 Cherokee, so I'm not too far from the last guy on
11 Spence's.

12 Generally, our service from Carolina Water has
13 been decent. Only recent complaint was when they
14 came in and blew out the sewer lines. They were
15 doing it for three separate days. We got a notice
16 on the third day to watch out that they were doing
17 that, but on the two previous days I had water
18 bubbling up out of my lower-floor toilets because
19 of the air pressure they were putting in there.
20 That's my only real complaint.

21 However, if you were to raise gas prices right
22 now from \$1.25 to \$1.92, you'd have riots in the
23 streets. And that's essentially what they're
24 doing. And that's something that people have to do
25 every day, and it hurts. So let's put it all into

1 perspective. You guys are asking for a rate
2 increase in a very difficult time. Everybody in
3 here got stung by the SCE&G stuff up at
4 Jenkinsville, all right? They said they had \$9
5 billion into that. Well, we already paid four.
6 Westinghouse refunded two. So they only have six
7 in there. They have roughly 2 million customers,
8 between them and Santee Cooper, that they were
9 going to charge an extra \$30 a month for, for 30
10 years. That comes out to \$19 billion, in addition
11 to what we already paid. Somebody somewhere is
12 getting paid big time.

13 What I ask is, if you guys are doing this,
14 let's do it responsibly. Don't be like Santee
15 Cooper where you have guys making six figures plus,
16 getting an automotive allowance so they can drive a
17 car commensurate with their position. If they're
18 making six figures plus, you can afford whatever
19 dag-gum car you want. The public don't need to pay
20 that.

21 So that's really where I'm at, here, and
22 there's hardly a person alive in this room that's
23 going to see that Jenkinsville debt gone. None.
24 Are we going to end up with that here? I mean, you
25 guys ask for this rate increase so you can do X, X,

1 X, and X. Okay, you get it. Once all that's done,
2 do you bring it back down, or you just keep it?
3 Because I've never seen anything be rescinded. And
4 I was told at one time that – and it was from a guy
5 who did a lot of research in the SCE&G thing – that
6 if a Public Service Commission regulated utility
7 asked for a rate increase and did not get it, all
8 they had to do was appeal it and they got it
9 anyways. If that's the case, we're wasting our
10 time.

11 [3-minute signal]

12 [Applause]

13 **CHAIRMAN RANDALL:** Thank you, Mr. Sinclair.
14 Hang on.

15 Questions from the parties?

16 **MR. NELSON:** No questions. Thank you, sir.

17 **CHAIRMAN RANDALL:** Commissioners, any
18 questions?

19 [No response]

20 Thank you, sir.

21 [WHEREUPON, the witness was excused.]

22 [Witness affirmed]

23 THEREUPON came,

24 **N I C H O L L R A N S O M ,**
25 who, having been first duly affirmed, testified as follows:

1 **WITNESS:** Nicholl Ransom, from Maple Grove in
2 Lexington.

3 What can I say that you've not already heard?
4 I can tell you about my recent high-usage
5 experience. Departments don't know what other
6 departments are doing. I was told by Customer
7 Service that scheduling a leak test is the only way
8 to guarantee that I can speak with a technician
9 from Operations. To my surprise, one random day,
10 there was a technician wearing a blue shirt with
11 the logo that read "CWS" – I assumed that to be
12 Carolina Water Service, but learned it was
13 ClearWater Services – in my yard completing a water
14 test, meter test, without my awareness, even though
15 I was home the entire time. It was then that I
16 learned that the Operations Department does not
17 work for Blue Granite. They are a new third-party
18 provider. To quote the technician, he does not
19 have time to ring my bell or knock or leave a door
20 tag. He has a full day of leak-testing to do and
21 no time for customer interaction.

22 Where does that leave me? I needed to explain
23 my trouble-shooting steps, the high-usage bill
24 history, where my irrigation system controls were,
25 and such. A prior customer service representative

1 had alluded that the fact that my irrigation system
2 would be the culprit of this high usage.

3 As a result of this leak test, I've gone to
4 the following expenses and extremes to protect my
5 property and financial security: First of all,
6 I've purchased and installed the Flume water usage
7 meter. A customer service agent had said that my
8 two-month usage of over 100,000 gallons of water
9 was a result of doing more laundry and taking
10 longer showers.

11 [Laughter]

12 When I fiercely objected, she said there was
13 no way to monitor every drop of water. Wrong.
14 There actually is. The Flume device now proves
15 that I use, on average, 500 gallons per month. My
16 total usage as a Utilities, Inc., customer since I
17 bought my house, does not even come close to the
18 alleged high usage of 100,000 in two months. And
19 then the compounding late fees. If you are tagged
20 as having a high-usage bill, they actually hold
21 your bill for a second billing cycle, send
22 technicians to your property to check for an
23 obvious leak in your yard, and then send both bills
24 at once. In my case, that bill was nearly \$800.

25 When I called with my concerns, I learned the

1 technicians had been to my property six times,
2 without my knowledge, since they had tagged me as
3 this high bill usage. No note, no tag, no knock,
4 no doorbell, no phone call, no letter.

5 Second, I've purchased and installed water
6 spigot locks. No leak test will ever happen on my
7 property without my knowledge, and no customer
8 service agent can suggest that my neighbors are
9 stealing my water.

10 Third, I've purchased and installed exterior
11 cameras and property sensors so that I'm notified
12 when someone –

13 [3-minute signal]

14 – is on my property. Really quick. Since
15 they want to pass their expenses on to me during
16 this filing, who do I send my expenses to for what
17 I've done?

18 You've already heard lots of opinions to the
19 business practices of Blue Granite, Carolina Water,
20 Utilities, Inc. Even after all these protests and
21 complaints by customers across South Carolina, we
22 are still subject to their abuse. What's our
23 recourse? We can't select another utility. Please
24 help us. Water is life.

25 [Applause]

1 CHAIRMAN RANDALL: Thank you, Miss Ransom.

2 Questions from the parties? Mr. Nelson.

3 CROSS EXAMINATION

4 BY MR. NELSON:

5 Q Ms. Ransom, did the issues that you had with your bill,
6 did you finally get those resolved with the company, or
7 you still have issues?

8 A I still have issues. I did file an ORS complaint. I
9 did get a bit of a credit on my bill, but none of the
10 late fees have ever been refunded and the credit that I
11 got did not equate to my very tiny usage compared to
12 this ridiculous 100,000.

13 Q If you want to try and follow up with us –

14 A I will. I have his name.

15 Q – we have folks out there and I would appreciate it.

16 A Thank you.

17 CHAIRMAN RANDALL: Thank you.

18 Commissioners. Commissioner Belser.

19 EXAMINATION

20 BY COMMISSIONER BELSER:

21 Q Hi, Ms. Ransom.

22 A Hey.

23 Q Thank you for your testimony tonight.

24 A You're welcome.

25 Q I just want to – when you talked about or when you

1 recounted your experiences with customer service,
2 you're –

3 **A** Yes.

4 **Q** – talking about whose customer service?

5 **A** So, Blue Granite customer service. And then I
6 eventually got through to what I now know as ClearWater
7 Services. Again, I didn't bring any names or phone
8 numbers or anything. I have all that documentation at
9 home, but – so I've actually worked with [indicating]
10 “customer service” on both companies.

11 **Q** And when did this problem start?

12 **A** I don't have any of that stuff. It's been in the last
13 few months.

14 **Q** Okay.

15 **A** Yep.

16 **Q** Thank you, very much.

17 **A** You're welcome.

18 **CHAIRMAN RANDALL:** Thank you.

19 Commissioners, any other questions?

20 [No response]

21 Ms. Ransom, thank you very much. Appreciate
22 it.

23 **WITNESS:** You're welcome. Thank you.

24 [WHEREUPON, the witness was excused.]

25 **MR. BOCKMAN:** Next at the podium we have Dave

1 Price, followed by Carl Bartlett and Nancy Faglie.

2 David Price, Carl Bartlett, and Nancy Faglie.

3 [Witness affirmed]

4 THEREUPON came,

5 D A V E P R I C E ,

6 who, having been first duly affirmed, testified as follows:

7 WITNESS: My name is Dave Price. I'm the
8 owner of a condominium at Spence's Point, 1441 Old
9 Chapin Road, right next to the Watergate sewage
10 treatment plant.

11 Our development was designed in 1985, has 99
12 units, 10 buildings. Each building has one meter.
13 What I want to speak to is the rate structure,
14 specifically the base facilities charge. Instead
15 of a meter fee for the – to cover the cost of
16 maintaining the water treatment plant, piping
17 system, and metering needed to deliver water even
18 when there's no water used by a customer, instead
19 of that, we have the base facilities charge. And
20 the particular thing, at Spence's Point, each
21 underground water meter feeds a manifold with nine
22 or twelve. So, essentially, you know, one meter,
23 say a building of nine – okay? – we are getting a
24 base facilities charge for each condo.

25 Now, your rates – you know, I understand this

1 is a rate system, but it's just totally unfair.
2 There's no expense for the water company for
3 anything after that meter. We have polybutylene
4 pipe, which we've had to replace. We have other –
5 we have some water leaks occasionally, and those
6 are all things that are on the customer side of the
7 meter. So we're not the only ones that are in that
8 situation. I understand, you know, apartment
9 buildings that have a single meter, mobile homes
10 that have a single meter, you're doing the same
11 thing, but there's no basis for that extra cost if
12 the water company is not doing anything to earn
13 that rate. So, anyway, I'd like to see that
14 removed. Blue Granite does not maintain any of the
15 manifold piping on the other side, so...

16 The other one that's now being added to, the
17 purchased-water charge, cost of purchased water –
18 our system, as I think the folks from Land's End
19 mentioned, it's West Columbia water, treated, is
20 transported to Spence's Point; the sewage is
21 treated right there at Watergate. Essentially, on
22 the purchased-water charge, that's an additional
23 fee that's going to be charged per condo unit; even
24 though there's only one meter, it's going to be
25 passed on to each unit, so we're paying like nine

1 times what a homeowner is paying right down the
2 street from us for a single-family house. Totally
3 unfair.

4 All right. In summary, you know, the sewer
5 rates, one of the things that's being added, it's
6 removing the pumping – the pumping charge was \$150.
7 It's being changed to pass through the normal cost.
8 But none of us will ever know what the actual rate
9 was. We need a copy of the bill if we're going to
10 get billed for it. Okay?

11 The Town of Lexington needs to stop –

12 [3-minute signal]

13 – blocking the connection – these are the
14 things that, you know, I'm asking you to do. The
15 Town of Lexington needs to stop blocking the
16 connection so we can close the Watergate plant.
17 It's outdated; it's just a money pit.

18 The other thing, these charges I asked about,
19 and the final thing is we really need to move to a
20 single water-and-sewer authority to combine these
21 small systems that were once independent but are
22 now almost all tied together. Thanks.

23 **CHAIRMAN RANDALL:** Thank you, Mr. Price.

24 Questions?

25 **MR. ELLERBE:** No questions.

1 CHAIRMAN RANDALL: Questions? Mr. Nelson.

2 MR. NELSON: Yes, sir.

3 CROSS EXAMINATION

4 BY MR. NELSON:

5 Q Do you understand how your bill is calculated currently?

6 A Oh, yes, I spent quite a bit of time going through all
7 the details of that.

8 Q Once they add this purchased-water for the sewer onto
9 your bill, you understand what makes that up or how
10 that's going to be calculated?

11 A What makes up the –

12 Q How that's going to be calculated by the company? Is
13 that something that you understand?

14 A Right, well, listed in the rate, in the rate case
15 filings – which I've got right here – is the set
16 charges, but now instead of just one water usage fee,
17 now there's going to be two for us in our situation of
18 transporting water from West Columbia.

19 Q Do you understand that's a volumetric charge?

20 A Pardon?

21 Q It's a volume type charge?

22 A Yes, it's a volume charge. Yeah, that's what I'm
23 saying, they're adding an extra volume charge, so...

24 MR. NELSON: Thank you. Appreciate it.

25 EXAMINATION

1 **BY COMMISSIONER BELSER:**

2 **Q** With regard to the sewer portion of your bill, do y'all
3 have LETTS tanks in that area?

4 **A** We have a – we have, you know, because we're right at
5 the lake, each building is about 50 feet from the lake,
6 we have a sewage pump there, and it pumps up to the
7 treatment plant. My understanding – you know, I'm not
8 sure, but I believe that's what's being talked about in
9 this fee, you know, that we're billed for when it's
10 pumped.

11 **Q** Okay. You may want to get some clarification from ORS,
12 because I think – what I'm understanding, that that
13 pumping charge is for if there's a solids interceptor
14 tank there, like a LETTS tank. So you may want to
15 ask –

16 **A** Right.

17 **Q** – to figure that out.

18 **A** Right.

19 **Q** But thank you for bringing that to our attention. We'll
20 certainly delve into that.

21 **A** Okay. Thank you.

22 **COMMISSIONER BELSER:** Thank you.

23 **CHAIRMAN RANDALL:** Thank you, sir. Appreciate
24 it.

25 [Applause]

1 [WHEREUPON, the witness was excused.]

2 [Witness affirmed]

3 THEREUPON came,

4 C A R L B A R T L E T T ,

5 who, having been first duly affirmed, testified as follows:

6 WITNESS: My name is Carl Bartlett. I live at
7 117 Point South Lane, Lexington, in Spring Lake
8 subdivision.

9 First of all, let me say this is déjà vu all
10 over again. We've been here many, many times.

11 I have been a customer of Carolina Water, Blue
12 Granite, whatever, for 41 years. I think that kind
13 of makes me an expert witness. For 24 years, I've
14 had an ongoing battle with Carolina Water Service.
15 I participate in a group called Carolina –
16 Concerned Citizens Against Carolina Water. Here's
17 *The State* newspaper from 24 years ago, okay?
18 Twenty-four years ago, I was a young man.

19 [Laughter]

20 Had a full head of hair, too, okay? I
21 shouldn't have spent the last 24 years battling
22 this company.

23 This company was given an opportunity by the
24 Commission – I don't know how many, if any, of you
25 were involved in that when it happened. They were

1 given the stewardship of providing this community
2 and the State and other areas with quality water
3 and sewer systems. They have not been good
4 stewards of the responsibilities and the
5 opportunities afforded them.

6 You've got all the facts and figures; no need
7 for me to repeat that. We've heard the young lady,
8 Ms. Nesbit, sits on a fixed income. My income has
9 been fixed since I was 16 years old; I've been
10 trying to fix it ever since. That has nothing to
11 do with how much money I make. I'm about to say
12 something, and I don't want to offend you, but I
13 believe the Commissioners' salary – and correct me
14 if I'm wrong – is around \$189,000 a year. Okay?
15 Now – is that correct? I can't ask a question.
16 Okay. You can't answer, okay. But if it is
17 anywhere close to that, only thing I'm going to ask
18 you to do is dumb it down a little bit to some
19 people who don't make that kind of money.

20 Now, I'm not asking for sympathy for what I'm
21 about to tell you, but three weeks ago I had open
22 heart surgery to replace a bad aortic valve. I got
23 no business coming out here tonight, getting upset
24 about this, okay? But that's how important it is
25 to me. The subdivision I live in is important to

1 me. I've lived there over 40 years. I had a young
2 couple come to me just this past week. Now, most
3 people in my neighborhood are getting older.
4 They're like me; I'm 67. I'm about an average age
5 in there. It does my heart good to see some young
6 people moving in. But I had one young couple come
7 to me and say, "Carl, we love this neighborhood,
8 but we hate that we moved here because of this
9 water bill." And that hurt me. It really did.

10 [3-minute signal]

11 I'm going to say one final thing. I am an
12 expert witness at what I'm about to say to Blue
13 Granite. I told you three weeks ago I had an
14 aortic valve replacement? They didn't put a
15 mechanical valve in my heart; they put a cow tissue
16 valve in my heart, okay? A cow. So I'm an expert
17 witness when I tell you this rate request is
18 bullshit.

19 [Applause]

20 I apologize, was there a question?

21 [Laughter]

22 **CHAIRMAN RANDALL:** No sir. Thank you.

23 [WHEREUPON, the witness was excused.]

24 [Witness affirmed]

25 <

1 THEREUPON came,

2 N A N C Y F A G L I E ,

3 who, having been first duly affirmed, testified as follows:

4 WITNESS: Nancy Faglie. I live at Land's End,
5 the end of Old Chapin Road. I only moved there a
6 year and a half ago.

7 When I lived in downtown Lexington, my water
8 bill was \$45 a month. Using the exact same water,
9 exact same sewer, \$45 a month. And now my water
10 bill is \$98 a month. You tell me where the
11 difference is, how this company is providing me a
12 different service than the Town of Lexington or
13 Lexington Water Service is than Blue Granite. How
14 is that different?

15 And I'm also one of the customers who the
16 meter reader is sleeping in our parking lot. How's
17 that – how do I even know that we are paying the
18 appropriate amount? We don't.

19 The other thing I'd like to know is why do
20 they need money for infrastructure, improvements,
21 now, when you haven't done anything for 15 years?
22 Why – if they get – they got a rate increase two
23 years ago. Why are they pumping sewage with pump
24 trucks out of Watergate? There was no improvement,
25 not that we've seen.

1 Why do we keep having spills? I don't know any
2 other water service around here that has spills.

3 Also, I'd like to know: What do you do about
4 our community? What do you provide to our
5 community? What do you invest in our community?
6 Apparently, nothing. Also, what have you done as a
7 positive community impact? I don't know. Couldn't
8 tell you. And what kind of community efforts are
9 you involved in – is this company involved in?

10 And the last thing I'd like to know: Is there
11 anything that you do to give back to this
12 community, other than take, take, take? That's all
13 I hear. But I don't hear anything about being
14 given back anything to this community.

15 That's all I have.

16 **CHAIRMAN RANDALL:** Thank you, ma'am.

17 Questions? Questions?

18 **MR. NELSON:** No questions, thank you.

19 **CHAIRMAN RANDALL:** Thank you.

20 Commissioners, any questions?

21 [No response]

22 Thank you, ma'am.

23 **COMMISSIONER BELSER:** Thank you.

24 **CHAIRMAN RANDALL:** Appreciate it.

25 [Applause]

1 [WHEREUPON, the witness was excused.]

2 MR. BOCKMAN: Up next we have Hugh Caldwell?

3 Hugh Caldwell, followed by Ryan Ariail and Perry
4 Neese. Hugh Caldwell, Ryan Ariail, and Perry
5 Neese.

6 [Witness affirmed]

7 THEREUPON came,

8 H U G H C A L D W E L L ,

9 who, having been first duly affirmed, testified as follows:

10 WITNESS: My name is Hugh Caldwell. I have
11 lived in the Creekwood subdivision west of
12 Lexington since 1973.

13 We have had our water system – we have wells
14 out there and we're on septic tanks. We have been
15 fairly constant and reasonable rates over the
16 years, and now we get a notice from Blue Granite
17 that our water rates will be increased over 50
18 percent.

19 We have about 60 homes. Many of these homes
20 are like I am; they're retired, they're elderly
21 people. They depend on their water for their
22 livelihood. And no business entity should seek
23 these kinds of increases. It's astronomical and
24 it's just too much burden on people that have to
25 have water to live.

1 We appreciate what they do. We appreciate
2 water; we have to have it. But we just feel that
3 at this time a raise, an increase in our water
4 rates at this time, is just unacceptable. Thank
5 you.

6 **CHAIRMAN RANDALL:** Thank you, Mr. Caldwell.
7 Hang on one second.

8 Questions? Questions, Mr. Nelson?

9 **MR. NELSON:** No. Thank you, sir.

10 **CHAIRMAN RANDALL:** Commissioners?

11 [No response]

12 Thank you, very much.

13 **WITNESS:** Yes, sir.

14 [WHEREUPON, the witness was excused.]

15 [Witness affirmed]

16 THEREUPON came,

17 **RYAN ARIAIL,**
18 who, having been first duly affirmed, testified as follows:

19 **WITNESS:** My name is Ryan Ariail. I live at
20 198 Golden Pond Drive, in the big town of
21 Lexington, subdivision of Golden Pond, off Mineral
22 Springs Road.

23 It's unfortunate we are here again. We were
24 here in 2018, two years before that, two years
25 before that, and two years before that. Blue

1 Granite has gotten more approvals for rate
2 increases than Tom Brady has Super Bowl rings.
3 That's a lot.

4 I live in a small neighborhood, got a lot of
5 fixed-income folks here. We've got a lot of small
6 families. Statistics show it takes about \$200,000
7 to raise a child from birth to 17 years of age.
8 I've got two.

9 This company's mission statement says, "To
10 improve the quality of life for our customers and
11 communities by providing safe, reliable, and cost-
12 effective water and wastewater services while
13 promoting environmental stewardship." I've heard
14 none of that tonight. None. They also go on to
15 say, "We pride ourselves on being an active partner
16 within our communities we serve." This is the only
17 community involvement they have, is when we meet at
18 these meetings, because I ain't heard one and I
19 ain't seen one person. And when they even came out
20 to change my water meter, I was never notified of
21 that. So how do I know that I didn't have a faulty
22 one that they were overcharging me on?

23 It is what it is. I've got to move on; that's
24 life, right? But it doesn't have to be that way.
25 That's why we, as a people of Lexington, put our

1 trust in the Commission to ensure that our voices
2 will be heard during these times.

3 So just moving forward, I think it's in the
4 best interest of this Commission to not serve the
5 big corp. and grant them another rate increase. We
6 are the hardworking taxpayers of South Carolina.
7 And if this – this is just a way to get more money
8 in a good economy, things that were granted to us
9 and we worked hard for, but now it's going to be
10 taken away – a penny here, a penny there. Four
11 years from now we might be back here, two years we
12 might be back here. I hope not. Lord willing.
13 But the thing is, is this has to stop. If the
14 services don't get no better, who's going to step
15 in?

16 Just moving forward, closing arguments. We
17 can call this what it is, but what it is is this is
18 V.C. Summer 2.0. And we're being taken advantage
19 of, and it ain't gonna happen, because we will use
20 our voices at the Statehouse if we have to.

21 [Applause]

22 **CHAIRMAN RANDALL:** Thank you. Hang on.

23 Any questions? Mr. Nelson?

24 **MR. NELSON:** No, sir. Thank you, Mr. Ariail.

25 **CHAIRMAN RANDALL:** Commissioners?

1 [No response]

2 Thank you, sir.

3 [WHEREUPON, the witness was excused.]

4 **MR. BOCKMAN:** Perry Neese?

5 **VOICE:** Perry Neese, he has departed.

6 **CHAIRMAN RANDALL:** Okay. We're going to take
7 about a 10-minute break to give Ms. Wheat's voice a
8 chance to rest for just a minute, and we'll
9 continue with the next group.

10 [WHEREUPON, a recess was taken from 7:15
11 to 7:25 p.m.]

12 **CHAIRMAN RANDALL:** We'd like to ask everyone,
13 please, to take your seats.

14 **MR. BOCKMAN:** Next at the podium we have
15 Walter Tareza_[sic]? Walter Tereza_[sic], followed by Sam
16 Ibreak and Mary Cothran.

17 **CHAIRMAN RANDALL:** And before we get to these
18 folks, Mr. Nelson's going to – I think a correction
19 on a date that we had.

20 **MR. NELSON:** I think I may have misspoken
21 earlier when I said – the night hearing that is
22 taking place at the Commission while the merits
23 hearing is going on, that is going to be the night
24 of February 27th, not the night of February 26th as
25 I think I said before. So that's 6 p.m., Thursday,

1 February 27th, if anybody's interested in speaking
2 at that, if you haven't spoken here tonight.

3 Also, I was reminded that, while I mentioned
4 the Consumer Services 1-800 number for the Office
5 of Regulatory Staff, I did not give that number
6 out. If anybody is interested in it, as I said,
7 the information is out there or you can take this
8 down: It's 1-800-922-1531. Thank you.

9 **CHAIRMAN RANDALL:** Thank you.

10 [Witness affirmed]

11 THEREUPON came,

12 **W A L T E R T A R Z A ,**

13 who, having been first duly affirmed, testified as follows:

14 **WITNESS:** My name is Walter Tarza. I live in
15 Governor's Grant just up the road.

16 All I have to say is we pay \$65 – we only have
17 sewer, apparently luckily. We already pay \$65 a
18 month, which I think is about double the reasonable
19 rate. And I think a 50 percent increase to \$100 a
20 month is, frankly, just absurd and there are lots
21 of people that cannot afford that.

22 That's about all I have, if you have any
23 questions.

24 **CHAIRMAN RANDALL:** Thank you, Mr. Tarza.

25 Questions from the company?

1 MR. ELLERBE: [Shaking head.]

2 CHAIRMAN RANDALL: ORS?

3 MR. NELSON: No. Thank you, sir.

4 CHAIRMAN RANDALL: Commissioners?

5 [No response]

6 Thank you, Mr. Tarza.

7 WITNESS: Thank you.

8 [Applause]

9 [WHEREUPON, the witness was excused.]

10 [Witness affirmed]

11 THEREUPON came,

12 M A R Y P . C O T H R A N ,

13 who, having been first duly affirmed, testified as follows:

14 WITNESS: My name is Mary Cothran. I live in
15 the Willow Creek Estates subdivision, which is a
16 new subdivision off of Mineral Springs Road, not
17 too far from here.

18 We are a new neighborhood. We just finished
19 our last house, and we have a Facebook group where
20 the neighbors get to know one another, and we also
21 share what we've learned about our community. And
22 everyone who moves into our community experiences
23 what I call the Willow Creek water sticker shock.
24 They get that first bill and ask each other, "This
25 can't be right. Something's wrong. This is what

1 we pay for water?" "‘Fraid so."

2 The 100,000-gallon meter reading is not
3 uncommon in our neighborhood. Several of our
4 neighbors have experienced it. Several neighbors
5 have since begun measuring their own meters.

6 We're purchased water, no wells. And sewer is
7 with Lexington.

8 I've lived in Lexington County since 1997.
9 I've had water from the City of West Columbia, the
10 Town of Lexington, and now Blue Granite. So I've
11 had local comparative experiences. This is, by
12 far, the worst, and what makes it really egregious
13 is the fact that Blue Granite is perhaps the worst
14 polluter in Lexington County, if not the Midlands,
15 and perhaps one of the worst in the State of South
16 Carolina. Blue Granite is the reason we have a
17 Columbia water – a riverkeeper. That's why we have
18 to monitor our own water. And they are asking us
19 to pay more. They're asking us to pay a lot more
20 at this stage.

21 You know, not only that; Blue Granite is a
22 pass-through middleman who doesn't even know, when
23 I asked several times, where the water comes from.
24 As part of this rate request, they had a town hall.
25 I went to the town hall with my water bottle full

1 of dirt-tasting water and said, "Why does my water
2 taste like dirt? It's tasted this way since
3 August." The first engineer I spoke to said, "Oh,
4 well, that's the City of Columbia's fault. You
5 know, we – they said they drew the water off the
6 bottom of the lake too fast and it's got some
7 turbidity, got a little dirt mixed in there. It'll
8 settle down."

9 We – I said, "Well, gosh, you know, it's funny
10 that we've never had this before. You know, it
11 started in August and disappeared by Thanksgiving.
12 Are you sure it's not the algal bloom I read about
13 in the paper?" "Oh, no, it's the Town of
14 Lexington's fault. That's who we get our water
15 from." I was like, "Well, wait a minute, the other
16 engineer over there told me you got it from this
17 other entity." Again, they assured me, "We do
18 nothing to the water. We just pipe it to your
19 home. We don't put anything in, we don't take
20 anything out."

21 Here's the bottom line. I don't mind if the
22 prices increase, if the service is better or the
23 quality is better. We don't even get adequate. If
24 you read Blue Granite's literature that they hand
25 out at their town meetings, they –

[3-minute signal]

– say, “The rate increase is necessary to provide reasonable and adequate service to customers, earn a reasonable return on its investments, attract capital for future investments, comply with standards and regulations set by DHEC and other environmental regulatory authorities, and the proposed rate increase is intended to generate adequate revenue to keep the system in compliance with federal and State regulations, as well as to recover investment already spent by the company since the end of its last rate case. It’s critical to understand that regulatory obligations have not decreased in recent years.” Uh, what regulatory? I know it’s environmental regulatory. Let’s be honest. We know who you are, Blue Granite. You’re Carolina Water Service, and you’re the polluters, and we are not standing for this. And I ask the Commission to do the just and fair thing for the people who are suffering here. Thank you.

[Applause]

CHAIRMAN RANDALL: Thank you, Ms. Cothran.

Any questions?

[No response]

1 Thank you, ma'am.

2 [WHEREUPON, the witness was excused.]

3 MR. BOCKMAN: Up next we've got Sam Ibreak, if
4 they're in the audience? Sam Ibreak?

5 MR. IBREAK: Yes, sir.

6 MR. BOCKMAN: Okay. Followed by David Hatcher
7 and Richard Thompson. David Hatcher and Richard
8 Thompson.

9 [Witness affirmed]

10 THEREUPON came,

11 S A M I B R E A K ,

12 who, having been first duly affirmed, testified as follows:

13 WITNESS: Good evening. My name is Sam
14 Ibreak, and I live in Lexington County, in the
15 Southwell Subdivision.

16 The reason I'm here, like everybody else, I
17 get a bill every month; we basically have Columbia
18 City water and sewer from Blue Granite. All right?
19 It is very frustrating when my average water bill
20 is \$29. This is clean, fresh water that I drink.
21 And then the wastewater, I'm paying \$65.

22 My other concern – I looked around on the
23 South Carolina website – how come the City of Cayce
24 charge \$19.02 for their sewer rate? Town of
25 Gilbert, \$24. Town of Springdale, \$30. We are

1 paying double that and, in addition, they're
2 turning to us for more increase.

3 So we ask the Commissioners to deny them that
4 increase. Thank you, very much.

5 [Applause]

6 **CHAIRMAN RANDALL:** Thank you, Mr. Ibreak.

7 Questions from the company?

8 **MR. ELLERBE:** [Shaking head.]

9 **CHAIRMAN RANDALL:** Mr. Nelson?

10 **MR. NELSON:** No questions.

11 **CHAIRMAN RANDALL:** Commissioners?

12 [No response]

13 Thank you, sir.

14 [WHEREUPON, the witness was excused.]

15 **MR. BOCKMAN:** David Hatcher, Richard Thompson,
16 William Hansen? David Hatcher, Richard Thompson,
17 William Hansen?

18 [Witness affirmed]

19 THEREUPON came,

20 **R I C H A R D T H O M P S O N ,**

21 who, having been first duly affirmed, testified as follows:

22 **WITNESS:** Richard Thompson. I live at 201
23 Murray Vista Circle.

24 I'm here representing our – we're having our
25 Windward Point homeowners' meeting tonight, and so

1 I told my wife she was going to represent us at the
2 homeowners' meeting and that I was coming here.
3 And the reason I'm coming here, it's very simple:
4 We have had a number of representatives from the
5 Town of Lexington come into our area, and when we
6 inquired what they were doing there, they indicated
7 that there was a plan to assume the responsibility
8 for providing water and sewer to our area in place
9 of Blue Granite.

10 So my question is pretty simple. Is there any
11 validity to what they're telling us? And if there
12 is, when? What is the timeline when this would
13 actually take place? So, I just present it as a
14 question.

15 **CHAIRMAN RANDALL:** Thank you, Mr. Thompson.
16 Does that – that concludes your testimony?

17 **WITNESS:** That's it.

18 **CHAIRMAN RANDALL:** Okay. Any questions for
19 Mr. Thompson?

20 **MR. ELLERBE:** No, sir.

21 **CHAIRMAN RANDALL:** Okay. You might want to –
22 I would speak with the City. They'll be able to
23 give you that.

24 **WITNESS:** Yeah. And we have.

25 **CHAIRMAN RANDALL:** Okay. Thank you.

[WHEREUPON, the witness was excused.]

MR. BOCKMAN: David Hatcher, William Hansen,
Jeremy Cothran?

[Brief pause]

MR. HANSEN: David Hatcher?

MR. RICHARDSON: Yes, sir.

MR. HANSEN: I'm William Hansen.

MR. BOCKMAN: Is there a David Hatcher?

[No response]

Jeremy Cothran, William Hansen?

[Witness affirmed]

THEREUPON came,

W I L L I A M H A N S E N ,

who, having been first duly affirmed, testified as follows:

WITNESS: William Hansen. Sorry, I need
glasses [indicating]. I've owned 14 High Hill
Road, Land's End, since 1986. Right now my
daughter and grandson are living in there.

I'm not going to bore you with all the
details, but some of the complaints that others
have had with unusually high bill – in June 2019, I
was billed for 69,000 gallons in one month,
totaling 536 bucks just for the water part of it.
And then we went into all this with the meter-
reading and sometimes they don't read every month,

1 and they found this time the guy read it with –
2 added a zero in the wrong place, so it was probably
3 6000 gallons.

4 But we all have one of these [indicating] –
5 most of us do. Anyway, if you flip up that little
6 thing where your meter is and take a picture every
7 month, you'll have a record of what your water
8 meter is saying – because I don't think they've
9 been reading it. I know they have not been reading
10 it every month, and I think that's part of the
11 problem is they're not reliably reading these
12 meters.

13 Anyway, the condo townhouse that I own is
14 about 200 feet from that Watergate treatment plant,
15 and I've been complaining since we bought it. Of
16 course, when you buy something, it isn't smelling
17 at the time you buy it and you don't even know it's
18 over there. But the next thing you know, you walk
19 out the door and you're overwhelmed by the smell of
20 the sewer. So I used to call them regularly. They
21 used to come out when I lived there. Used to have
22 a pretty good rapport with Carolina Water at
23 times – not all the time, but at least they would
24 come out, and there was a secretary that I talked
25 to sometimes. You know, if you had to be a little

1 late on your bill and stuff sometimes, she would
2 let you get by, but lately it isn't that way at
3 all. I mean, you can't even call them and get
4 someone you can talk to without going through one
5 of those things where you have to talk to 10
6 different people.

7 The other thing: I did like a couple of the
8 others and looked through some of the rates
9 locally. And by the way, I did write up something
10 and I gave them to the front and I will try to
11 upload it. With three minutes, I can't go through
12 all this. But anyway, Lexington, the average cost
13 is about \$65 a month for water and sewer. Irmo,
14 \$104. Columbia, \$55.37. West Columbia, \$31.60.
15 At Land's End, at the rate of 5000 gallons a month,
16 like all those calculations were, we'd be \$37.75
17 for water, \$65.77 for sewer, for \$103.52.

18 [3-minute signal]

19 Sorry, I'm going to have to go. Anyway, my
20 daughter and grandson, their rates have been going
21 \$150 to \$250 per month, in that range, and it just
22 varies all over the place. I don't know if
23 they're – so I told her to start using the phone to
24 start looking at that meter more.

25 But I think the company has a monopoly on us.

1 What choice do we have but to pay? I've gone in
2 and have a paragraph here about the costs when the
3 company violates the Clean Water Act. And I am a
4 hydrologist. When they violate the Clean Water
5 Act, they get fined. They should bear those costs,
6 their investors, their company. All of that should
7 go against them, not the use payers.

8 **CHAIRMAN RANDALL:** Okay. Mr. Hansen, we've
9 gotten to the end of your time.

10 **WITNESS:** All right. Okay.

11 **CHAIRMAN RANDALL:** If you could wrap up.
12 Thank you, sir.

13 **WITNESS:** All right. Anyway, these millions
14 of dollars also that they receive from Lexington,
15 that should also go for paying operations and not
16 for paying off their high-priced investors or
17 whatever. I mean, it should go to us, even, rather
18 than – back to us. Anyway, thank you very much.

19 **CHAIRMAN RANDALL:** Thank you. Hang on, let me
20 see if there any questions.

21 **CROSS EXAMINATION**

22 **BY MR. NELSON:**

23 **Q** Mr. Hansen, the smell that you complained of –

24 **A** [Indicating.]

25 **Q** I'm over here.

1 A Oh. Yes.

2 Q The smell, is it like smelling right now? Is it a
3 seasonal thing, or does it – do you just –

4 A I don't live there right now, but it's still there
5 occasionally. It isn't constant; it's intermittent.
6 And years ago, I even found one time where the sewage
7 was running down the road. You know, I used to call
8 them and they used to come out and they did some things
9 to kind of fix stuff, but I haven't, you know, I haven't
10 done that anytime recently.

11 Q No real discernible pattern like it smells in the summer
12 and doesn't in the wintertime?

13 A No. It's when that machine goes off, it gives an odor.
14 And some days, you know, you have almost like an
15 inversion where it's going to settle down, and others –
16 like with wildfires and things. The air can go up and
17 you're not going to smell it, but other days, certain
18 conditions, you're going to have more of a smell.

19 Q Thank you, sir. I appreciate your testimony.

20 A Okay.

21 CHAIRMAN RANDALL: Thank you.

22 Commissioners.

23 EXAMINATION

24 BY COMMISSIONER BELSER:

25 Q Mr. Hansen?

1 A Yeah.

2 Q Hi. Thank you for being here tonight. With regard to
3 that bill in June of last year, where you were billed
4 for 56,000 gallons, did you get that straight?

5 A Yeah, 69,000. We did get it straight. It was a zero
6 that was somewhere added onto it, but that got me pretty
7 suspicious of the bills. And then lately with just my
8 daughter and grandson living in there – and she works.
9 She's not there all the time. He's in high school. And
10 to have bills ranging from \$150 to \$250 for just two
11 people just seems ridiculous. And then if you add 50
12 percent onto that, you're going to go to \$225 to almost
13 \$400. I mean, it's just unbelievable.

14 Q But that high bill in June, that got resolved by the
15 company? Or did you have to contact ORS?

16 A Yeah, I – if I wouldn't have contacted them, they
17 weren't going to contact me, I don't think. So, yeah, I
18 got it worked out with them, finally.

19 And I don't know about the guy sleeping in his
20 truck, you know, I'm not around there enough. I only
21 live a mile and a half away; I live on Warner Woods
22 Road, off of Beechcreek. So I'm only a mile and a half
23 away, you know. I can go there anytime I want. But,
24 you know, I'm on a sewer and well where I live, and that
25 was one of the reasons we wanted to get out of there

1 was – the prices have been high all the time, and when
2 you look at the prices that I have in my letter
3 [indicating], Blue Granite, Carolina Water, is at the
4 top of where everybody is right now. If you increase it
5 that much, it's just way out of line with what they are
6 supplying.

7 **Q** Thank you, very much.

8 **A** Okay. Thank you.

9 **CHAIRMAN RANDALL:** Thank you, Mr. Hansen.

10 [WHEREUPON, the witness was excused.]

11 **MR. BOCKMAN:** Jeremy Cothran to the podium,
12 with Melissa Goforth and Chris Gordon on deck?
13 Melissa Goforth and Chris Gordon on deck.

14 [Witness affirmed]

15 THEREUPON came,

16 **J E R E M Y C O T H R A N ,**
17 who, having been first duly affirmed, testified as follows:

18 **WITNESS:** My name is Jeremy Cothran. I live
19 over in Willow Creek Estates.

20 We moved there in 2016, so it's been about
21 four years. Before that, we were over in West
22 Columbia and getting our water from West Columbia,
23 and that averaged about \$40 or less per month, for
24 about 4000 gallons per month. Here, we do about
25 the same, about 4000 gallons a month or 5000

1 gallons a month, and it's about \$50 – averages
2 about \$50 for Blue Granite and \$50 for the Town of
3 Lexington for their sewer service and stuff like
4 that, so, combined, \$100 a month, on average.

5 So, I mean, the prices that everybody else has
6 stated here, and will continue to state, the prices
7 are already kind of out of line with the
8 surrounding areas, and if I was a young family, I
9 would have to factor that into my decision to move
10 into a home, to see who the provider was, and I
11 would not move into a home if I was expecting to
12 pay \$1000 extra a year or, you know, over 40 years,
13 \$40,000 or so. It's a large amount that does not
14 seem justified.

15 And then the habits of this company, whether
16 it's Blue Granite or Carolina Water Services or
17 whoever they choose to be called by, their habit
18 has not been one of good faith and one of, you
19 know, of recommendation, you know. Like I
20 mentioned before, in our neighborhood, everybody
21 that comes into our neighborhood the past several
22 years faces this high water bill that they have to
23 spend time going back and negotiating, and spending
24 time that, you know, is patently ridiculous, you
25 know, water-usage measurements of 100,000 gallons,

1 which it's hard to imagine how somebody could use
2 that much without having their water cut off or
3 getting these ridiculous bills. So, these things
4 are, just on their face, kind of ridiculous and
5 unbelievable and cause people to roll their – you
6 know, go into shocked expressions about – you know,
7 they think their water bill is the highest at \$200
8 a month, and somebody gets a \$600 water bill and
9 they're like, "Oh, well, I guess I didn't get
10 messed up that badly." But still, it's something
11 that we shouldn't have to really deal with, and
12 especially deal with on a continued basis.

13 So, this company's – you know, you're
14 surprised by the habits of this company with their
15 billing practices, you're surprised with their past
16 pollution history, and now this past September you
17 start getting your water tasting like dirt. I know
18 it's not the responsibility of Blue Granite because
19 they get it from the Town of Lexington. All Blue
20 Granite does is put the water in the pipes or get
21 the black water, too, in the pipes, but they're
22 still asking for 50 percent more just for shipping
23 the water to you a couple of, you know, miles or a
24 half mile or whatever the small amount of distance
25 is that they're asking for all these large amounts

1 of increases in rates and stuff.

2 So the water taste is a lot. The piece I'd
3 like to put into evidence is from the American
4 Water Works Association. It's a document from
5 2016, September 2016. Back then there was a blue-
6 green algal bloom on the Ohio River. There was a
7 500,000-person – half a million people – do-not-
8 drink, do-not-boil advisory. There are really
9 specific regulations on cyanotoxins, which are bad
10 stuff that algal blooms put out when they are, I
11 guess, agitated in a certain way.

12 We've been told by DHEC that the water has
13 been tested, but we aren't – those results aren't
14 really shared. What they're testing for isn't
15 shared, the levels are not shared. So that would
16 be my main recommendation of this, is from a public
17 safety perspective, that those tests of what is
18 being tested in the water from Lake Murray, or
19 whatever the tests are, that –

20 [3-minute signal]

21 – those be shared with the public, what is
22 being tested for and what the levels are at, so
23 that we kind of have more of an idea of what we're
24 drinking, even though the taste is bad. Thank you.

25 **CHAIRMAN RANDALL:** Thank you, Mr. Cothran.

1 You want to – we'll mark that as Exhibit No. 3.

2 **WITNESS:** Thank you for your time.

3 **MR. ELLERBE:** For identification?

4 **CHAIRMAN RANDALL:** For identification. We'll
5 mark it for identification.

6 [WHEREUPON, Hearing Exhibit No. 3 was
7 marked for identification.]

8 **WITNESS:** Any questions?

9 **CHAIRMAN RANDALL:** Questions, company?

10 **MR. ELLERBE:** No.

11 **WITNESS:** Okay, thank you.

12 [WHEREUPON, the witness was excused.]

13 **CHAIRMAN RANDALL:** Okay. Who's next?

14 **MR. BOCKMAN:** Melissa Goforth, followed by
15 Constance – or, excuse me – followed by Chris
16 Gordon. Melissa Goforth, followed by Chris Gordon.

17 [Witness affirmed]

18 THEREUPON came,

19 **M E L I S S A G O F O R T H ,**

20 who, having been first duly affirmed, testified as follows:

21 **WITNESS:** My name is Melissa Goforth. I am a
22 resident of the Golden Pond subdivision off of
23 Mineral Springs. Thank you all for being here
24 tonight. You look about as thrilled to be here as
25 I am.

1 I'm a mother of two – a five-year-old and a
2 two-year-old – in Lexington. They were born at
3 Lexington Medical Center. I should be home tonight
4 with my kids.

5 I've been to these hearings before. I've been
6 on WIS before, against Carolina Water Service, on
7 October 20, 2017, hugely pregnant, the same week I
8 did give birth to my daughter, the same daughter
9 that today we walked around Golden Pond subdivision
10 collecting these letters of protest [indicating]
11 from our neighbors. These are just a few. Other
12 neighbors are going to be scanning them and sending
13 them in or faxing them. It's just an extra hassle.
14 It's an extra hassle on the homeowner to prove that
15 we shouldn't have to pay these rates. You all
16 already know this; you already have the
17 information.

18 This summer, as far as the water quality, our
19 boil advisories have increased. Our water quality
20 has decreased. We've had published articles
21 stating that this algae bloom, the difference in
22 your water taste, it tastes like dirt. I don't
23 want to drink dirty water. I don't want to pay for
24 expensive dirty water. I should put my money
25 elsewhere within this community, and I'm happy to

1 do so.

2 Other letters of protest from Golden Pond
3 include Greg Goforth, Melissa Goforth – that's
4 myself – Barbara Jolly, Sandra Shull, Jonathon
5 Jungclaus, Delores Jungclaus, Nancy Meares, Ray
6 Barrow, Sherre Henne, Katie English, Amy Comeau,
7 Beth Warren, and Meredith McKeever.

8 I've been a Lexington County resident for
9 nearly 15 years. We need to do something
10 differently.

11 Now, I'm learning more about politics in this
12 area, as my children go through the school system.
13 And one thing I did not know until this week, that
14 the Public Service Commission is not an elected
15 position; I didn't realize it was applied-for
16 position, you all are chosen by the legislators.
17 I'm a little concerned, based off of just the
18 corruption in South Carolina that focuses in
19 Lexington County with some of our legislators.
20 From the 28th grand jury report, it involves so
21 many blue-chip companies, I have a hard time
22 reconciling with the fact that there may not be
23 corruption here. And I promise you, we do have
24 time to figure this out. We do have more time to
25 organize. And we will be doing so. We expect you

1 all – especially Ms. Belser in District 2, we
2 appreciate your time, and we expect you to do
3 what’s right for the homeowners here in South
4 Carolina that are paying these outrageous rates.

5 Thank you very much for your time.

6 [Applause]

7 **CHAIRMAN RANDALL:** Thank you, ma’am.

8 **WITNESS:** I would like to enter these into the
9 record, by the way. I was supposed to say that; I
10 apologize.

11 **COMMISSIONER WHITFIELD:** Mr. Chairman, I’ve
12 got –

13 **CHAIRMAN RANDALL:** Hang on. I’ve got Mr.
14 Nelson, first.

15 **MR. NELSON:** Can we go ahead and put those
16 into the record, please, marked for identification?

17 **CHAIRMAN RANDALL:** Sure. We’ll mark those for
18 identification as Exhibit No. 4.

19 [WHEREUPON, Hearing Exhibit No. 4 was
20 marked for identification.

21 **CROSS EXAMINATION**

22 **BY MR. NELSON:**

23 **Q** Ms. Goforth, you talked a little bit about some of the
24 boil-water advisories. How frequently do you get those
25 from the company, or have you lately?

1 A I would say in the past six months – because I haven't
2 been nursing, so I know I've been using water – we've
3 had three in my community.

4 Q And how long do these boil-water advisories usually
5 last?

6 A There have been a few that have only lasted for a few
7 hours. I do believe there was one that lasted two,
8 possibly three days, but I need to go back. Again, we
9 have a Facebook group to where we've done our best to
10 keep each other aware of not only boil-water advisories,
11 but also updates about these hearings, updates about
12 opportunities to speak out. Some of our neighbors have
13 went to the Town of Irmo, when there wasn't an
14 opportunity here yet. And also, the first part of my
15 life, we spent in Lake Wylie. Lake Wylie is having
16 these same issues with boil-water advisories, with very,
17 very expensive homes that just do not have the
18 expectation of going through this. So this is not just
19 a Lexington issue; this is not just an Irmo issue. This
20 is an issue with Blue Granite Water Company and the
21 State of South Carolina.

22 Q What do you do, when you get a boil-water advisories for
23 a couple of days? What do you do for water?

24 A We either use – well, we have the filter, of course.
25 That's what we typically use. Now, during the summer

1 when they said, "Oh, it's fine. It's not a boil-water
2 advisory," they put out two articles; the first article
3 referenced a – I can send it; I'd be happy to – but it
4 referenced an article from an out-of-state researcher
5 that said it was not safe to drink and it would be a
6 concern over time. The second article actually cited
7 someone from the University of South Carolina, which
8 seemed less worried, I would say, saying sort of this is
9 the norm. I've been in my home for 12 years. This is
10 the first year it is ever tasted or smelled anything
11 like that.

12 **Q** Do you still have that odor and taste now?

13 **A** I haven't noticed it in the past, I would say, month,
14 month and a half.

15 **Q** So, since the water started to cool off.

16 **A** Probably.

17 **Q** I have no further questions. Thank you for testifying.

18 **A** Thank you.

19 **CHAIRMAN RANDALL:** Thank you.

20 Commissioner Whitfield – hang on one second.

21 **WITNESS:** Oh, sure. Yes.

22 **COMMISSIONER WHITFIELD:** Mr. Chairman, that
23 was my question. Mr. Nelson asked –

24 **COMMISSIONER BELSER:** Mine, too.

25 **CHAIRMAN RANDALL:** Okay.

1 **COMMISSIONER WHITFIELD:** – it, about the boil-
2 water advisory, so I –

3 **WITNESS:** What we would do – and I didn't
4 finish answering, I'm sorry. We do usually do
5 bottled water, is the option. We have to go to the
6 store and get the jugs of the distilled water.

7 **CHAIRMAN RANDALL:** Thank you.

8 **WITNESS:** Thank you.

9 [Applause]

10 [WHEREUPON, the witness was excused.]

11 **MR. BOCKMAN:** Chris Gordon to the podium?
12 Chris Gordon to the podium, followed by George
13 Lander and Donell Allen. George Lander and Donell
14 Allen.

15 [Witness affirmed]

16 THEREUPON came,

17 **C H R I S G O R D O N ,**
18 who, having been first duly affirmed, testified as follows:

19 **WITNESS:** Chris Gordon. I'm in the
20 Rollingwood subdivision. I apologize if I speed-
21 read, but I am on the clock.

22 You've heard a lot of numbers. Everybody can
23 do the basic math on this. You can look at the
24 average bill; it's expected to go up almost \$820 a
25 year.

1 Some numbers that I do want to bring up: That
2 would be the median South Carolina income.
3 Currently, the bills are 3 percent of that, and
4 they are looking to go up to 4.6 percent. If you
5 look at the per capita income, currently it is 5.4
6 percent for a Carolina Water bill. This proposal
7 would go up to 8.3 percent. Those are real
8 numbers, real people. That is something to
9 consider.

10 And why – why is it so expensive? Plenty of
11 other companies that have been mentioned, nobody
12 else is having this; nobody else has to come out
13 here every two years. I've been doing this for 11
14 years. I think this is my fifth one.

15 In a word, I would say: mismanagement. Maybe
16 inefficiency.

17 In our neighborhood, every time it rains for
18 an hour, there's aforementioned tanker trucks every
19 five or ten minutes to the back of the
20 neighborhood. I know that can't be efficient.

21 In the past, we've had lack of flush
22 notifications. Apparently, we haven't had any
23 recently because there actually haven't been any
24 done. They needed to be done.

25 The sketchy meter readers, yep, we have

1 those – until last year, when they stopped reading
2 completely. In fact, I could tell that my meter
3 had not been read in a long time, and the new CWS
4 guy was out there about five minutes trying to read
5 mine, because the cover is so scratched it was
6 illegible.

7 So, what are we going to get for all this
8 increased spending that they've already spent?
9 Well, we've got a closed office. Now we only have
10 contract workers. Customer service, still
11 terrible. Still double-billed, actually, this
12 month, which, by the way, a current rate of \$250
13 double bill will then be \$400 that somebody would
14 get hit with. Still have the bad taste and smell
15 that everybody's mentioned.

16 And then, of course, we have the pinnacle of
17 mismanagement. That would be the treatment plants.

18 I would also like to read something that's in
19 the 2017 order by US District Judge Margaret
20 Seymour, in the filing of the big fine, that she
21 said that during one four-year stretch the company
22 gained an economic benefit of almost \$700,000
23 annually. That's each year for four years, doing
24 the wrong thing to make money.

25 Now, I understand business, and I understand

business is in the business to make money. But
this is a monopoly, and this is a monopoly of –

[3-minute signal]

– something that we have to have. And we are
stuck here.

And if I can finish up real fast, also what
Judge Seymour said was that the fine was justified
to deter more violations. And I think we need a
deterrent here to prevent more frivolous spending.
It's not getting stuff done. If this was a
business, it would have gone under.

CHAIRMAN RANDALL: Thank you, sir.

WITNESS: I am done.

[Applause]

CHAIRMAN RANDALL: Questions.

MR. ELLERBE: No questions

CROSS EXAMINATION

BY MR. NELSON:

Q Mr. Gordon, I know you know us, so I assume you'd tell
us if you had an issue. Has that double-billing issue
been fixed yet, or do you still have an issue with that?

A Oh, yeah. Yeah, I actually just – yeah, just this
month, I got a double bill.

Q Are you still – do you need that resolved and you need
to talk to us?

1 A No, it's – I mean, it's – I went back. I had to look.
2 And, yeah, I didn't pay one for last month, so, yeah, I
3 just – it's just the fact of having to pay two, you
4 know, still having the customer service issues like
5 this. Call in for an issue – I called in on that
6 taste/smell problem that everybody had back in July.
7 And read about it, finally found out about it. Then a
8 guy came out at the end of August and I was like, "Can I
9 help you?" He's like, "Yeah, I'm here for the service
10 call you requested." I was like, "Oh, yeah, that was
11 like a month, month and a half ago." He said, "Yeah,
12 we've taken over. We're trying to – we've got a
13 backlog. Apparently, people weren't taking care of
14 things prior to. They brought us on-board," that's CWS,
15 "to try to take care of this. You know, we're trying to
16 do better on this, but we just have a huge backlog."
17 So, same story. New company, new names all over the
18 place.

19 Q Going back to the billing thing, you seem to think this
20 isn't very extraordinary. Do you have billing issues
21 frequently with the company?

22 A Oh, yeah. Yeah, it used to be multiple times a year.
23 But, so, yes, I guess I'm pretty nonchalant about it
24 because once a year, I'll take. That's better.

25 MR. NELSON: Thank you for coming to testify.

1 Appreciate it.

2 **CHAIRMAN RANDALL:** Thank you.

3 Commissioners, any questions? Commissioner
4 Belser.

5 **EXAMINATION**

6 **BY COMMISSIONER BELSER:**

7 **Q** Good evening. Thank you for being here this evening.
8 I'm curious about this double-billing. Is that an error
9 on the company, billing you twice?

10 **A** Yeah, well, they'll miss a month –

11 **Q** Okay.

12 **A** – and then hit you with two. So you'll get –

13 **Q** They fail to provide the bill?

14 **A** Exactly, and then hit you with two bills, same issue
15 date, same due date, but with different, I guess you
16 would call it initiation dates? So when you look back,
17 there's average bill, average bill, no bill, double
18 bill.

19 **Q** And when was the last one where you were double-billed
20 like this?

21 **A** This month.

22 **Q** This month. And prior to this month, when, do you
23 recall?

24 **A** It hadn't happened for a year. I looked back and I
25 think was 13, 14 months. I'd have to go back to the

1 previous year.

2 **Q** Were you ever provided any explanation of why that was
3 happening?

4 **A** I called the first time and kind of got a runaround.
5 You call in to a service that's in Florida. They're not
6 really sure, apologized, checked into it, not really
7 sure. But the numbers looked right so I just went with
8 it. And then I guess through the years, it just became
9 a norm. You just get used to it, to be honest.

10 **COMMISSIONER BELSER:** Thank you, very much.

11 **MR. ELLERBE:** Mr. Chairman?

12 **CHAIRMAN RANDALL:** [Nodding head.]

13 **MR. ELLERBE:** Mr. Gordon, could I ask you to
14 speak to somebody at the company, so we can make
15 sure we can identify your account and try to figure
16 out what's going on?

17 **WITNESS:** Yeah, sure.

18 **MR. ELLERBE:** If you would just speak to one
19 of these gentlemen over here.

20 **WITNESS:** Yeah.

21 **MR. ELLERBE:** Thank you, sir.

22 **WITNESS:** And I don't mind entering that, and
23 I've got the double bill, in case y'all want it and
24 both can review.

25 **MR. ELLERBE:** That would be very helpful to

1 have a copy of it. If we could mark that?

2 **CHAIRMAN RANDALL:** We'll mark that for
3 identification as Exhibit No. 5.

4 [WHEREUPON, Hearing Exhibit No. 5 was
5 marked for identification.]

6 **MR. ELLERBE:** I think that'll take care of it,
7 if you have a copy of the bill.

8 **WITNESS:** Okay. Anybody else?

9 **CHAIRMAN RANDALL:** Thank you.

10 [Applause]

11 [WHEREUPON, the witness was excused.]

12 **MR. BOCKMAN:** George Lander to the podium,
13 please? George Lander, followed by Donell Allen
14 and Arthur McClain.

15 [Witness affirmed]

16 THEREUPON came,

17 **G E O R G E L A N D E R ,**
18 who, having been first duly affirmed, testified as follows:

19 **WITNESS:** Good evening. I'm George Lander. I
20 live in Creekwood subdivision. I was one of the
21 original developers of Creekwood subdivision. I
22 live on the back side.

23 When we developed the Creekwood in the late
24 '60s, early '70s, we put in the underground water
25 system. And when we had the property surveyed, we

1 surveyed intentionally large lots, because that was
2 something that was unusual for Lexington at the
3 time, that most of the lots were about an acre in
4 size or a little bit smaller, a little bit larger.

5 We operated the water system for a period of
6 time, until it kind of – we decided that we didn't
7 need to be in that business. It was mostly
8 accounting, you know, making bills, and being sure
9 that everybody paid the bill on time and whatnot.
10 All the homes were metered. But we pretty much
11 built out the subdivision. And I know what it cost
12 at the time to put in – everything was – the
13 equipment was bought from Pump & Light Company out
14 on Charleston Highway; it was PVC all the way.
15 There's very little maintenance required in a
16 modern underground water system. The septic on –
17 the homes are all on septic tank. There's no
18 septic – sewer system.

19 We – the – as far as I can tell, very little
20 has been done to upgrade the system. We had three
21 deep wells, and that's where the water comes from,
22 a 10,000-gallon storage tank, and other than normal
23 maintenance there's very little required. So I
24 don't see the point or the reasoning for the huge
25 increase when all the company that owns the system

1 now – it's not the company we sold to; it's been
2 resold a couple of times – when all of their
3 expense is the electric bill to run the three wells
4 and the normal maintenance.

5 So I would dispute them requesting such a
6 dramatic increase. There's already been a number
7 of increases over the years, since we owned it.

8 [3-minute signal]

9 And I don't think things have gone up that
10 much. And that's about all I've got to say.

11 **CHAIRMAN RANDALL:** Thank you, sir.

12 Questions from –

13 **MR. ELLERBE:** No, sir.

14 **CHAIRMAN RANDALL:** Questions.

15 **MR. NELSON:** No, sir. Thank you, Mr. Lander.

16 **CHAIRMAN RANDALL:** Commissioners?

17 [No response]

18 Thank you, sir.

19 **WITNESS:** Thank you.

20 [Applause]

21 [WHEREUPON, the witness was excused.]

22 **MR. BOCKMAN:** We have Donell Allen and Arthur
23 McClain? Donell Allen and Arthur McClain. Either
24 one in attendance?

25 [Witness affirmed]

1 THEREUPON came,

2 A R T H U R M c C L A I N ,

3 who, having been first duly affirmed, testified as follows:

4 WITNESS: My name is Art McClain. I live in
5 Irmo, South Carolina, and I've been looking at this
6 Blue Granite thing for a little bit, regarding the
7 sewage. And – excuse me. I'm getting over this
8 flu thing.

9 This increase is really bad. If you think
10 about a 56 percent increase, and even somebody with
11 bad credit doesn't get a 56 percent loan rate, so
12 this is just bad across the board. I think that,
13 at some point, there needs to be some legislation
14 put in place to make a maximum number that an
15 increase can be requested. For instance, there's a
16 lot of our – I'm a veteran, and I know that we have
17 a lot of people that are on fixed incomes. Last
18 year, I think they got a 3 percent rate increase on
19 the Social Security. So let's match that with the
20 increase that utilities are requesting. That way
21 it's maxed out at a rate that our constituents can
22 actually afford.

23 Some other possible solutions is allowing
24 people to go to sewer – go to use septic tanks.
25 Dig a hole, put a septic tank in it, and every 20

1 years or so, pump it out and deal with it yourself.
2 I think having a monopoly is just bad; it's bad
3 business. It doesn't allow for people to make
4 their own minds up on how they deal with things.

5 I know that there's been some discussion in
6 Irmo regarding methods if they have to turn off
7 the sewage, to include fining people using the
8 abatement officers to do that, and to me that's
9 just not fair. Someone that can't pay a bill, and
10 you're going to add more bills and a reconnect fee?
11 The bill that they owe and then an abatement bill.
12 That's just not right.

13 So I really want to encourage you guys – I do
14 appreciate you guys listening, but I want to
15 encourage some common-sense government here, some
16 common-sense billing, so that everyone feels taken
17 care of and not taken advantage of. Thank you.
18 Oh, I'll wait.

19 **CHAIRMAN RANDALL:** Thank you, sir.

20 Questions?

21 **MR. ELLERBE:** [Shaking head.]

22 **CHAIRMAN RANDALL:** Questions?

23 **MR. NELSON:** No, sir.

24 **CHAIRMAN RANDALL:** Commissioners?

25 [No response]

1 Thank you, sir, Mr. McClain.

2 [Applause]

3 [WHEREUPON, the witness was excused.]

4 **MR. BOCKMAN:** Mr. Chairman, that concludes the
5 list of attendees who have signed up to deliver
6 testimony this evening.

7 **CHAIRMAN RANDALL:** Thank you.

8 We want to thank everyone for coming tonight.
9 We appreciate you giving us your thoughts.

10 If you have anything you need to talk with,
11 with Office of Regulatory Staff or with
12 representatives of the company, they are still
13 here. And, everyone, we are adjourned. Thank you.

14 [WHEREUPON, at 8:15 p.m., the hearing in
15 the above-entitled matter was adjourned,
16 to reconvene at 6:00 p.m. on January 30,
17 2020, in Irmo, South Carolina.]

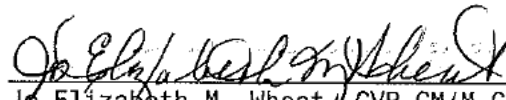
18 _____
19 [WHEREUPON, Hearing Exhibit No. 1 was
20 marked and received in evidence.]
21 _____

C E R T I F I C A T E

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, Notary Public in and for the State of South Carolina, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had and testimony adduced in a public night hearing held in the above-captioned matter before the PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA;

That the witnesses appearing during said hearing were sworn or affirmed to state the truth, the whole truth, and nothing but the truth;

IN WITNESS WHEREOF, I have hereunto set my hand and seal, on this the 3rd day of March, 2020.


 Jo Elizabeth M. Wheat, CVR-CM/M-GNSC
 Hearings Reporter, PSC/SC